Turner Valley Field in Spotlight (Page 13)

THE FINANCIAL POST

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Largest Circulation of All Canadian Financial Papers

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The Nation's Business

Wheat Picture Looking Brighter

Time To Go Back To Sounder Policies

Will Other Provinces Follow Alberta?

Not If Debt Problems Are Studied?

Bank Lending Rates

Wheat Outlook Is Very Bright

WITH Canada's wheat stocks at last reduced to normal or near-normal proportions, the time rapidly approaches for turning this industry back to its original owners—the growers, the trade and the consumers. In a few months at most J. R. Murray's task of liquidating the huge inheritance from the "pools" and John I. McFarland's wheat board will have been completed.

This clearing comes at a time when world carryover stocks have been depleted to the lowest point in the last 12 years. The International Bureau of Agriculture estimates the carryover at the end of next July at a mere 125 million bushels or only half the poor crop Canada harvested this season. Four years ago world accumulations stood at 625 millions.

In short, the world faces a shortage of wheat where for several years it has had a surplus. It would be difficult to exaggerate what this can mean to Canada.

* * *

NO SANE person ever believed that the Canadian Government was in the wheat business permanently. Ottawa was only forced to the rescue when, as a result of the stubborn refusal of a few professional organizers to recognize market facts, Canada's major industry was facing a crisis.

Stocks had been accumulated in the face of falling world prices until the menace of a fire sale and bankruptcy became imminent. By the grace of aggressive selling and an abnormal series of crop failures in the Western Hemisphere, Mr. Murray has disposed of practically all our surplus stock without serious loss.

We can hardly hope to escape so fortunately from another experiment. Normal world supplies and a fairly certain possibility of firm markets for at least the next three months present almost a unique opportunity for the carrying out of the final formalities necessary in transferring the wheat trade back to its original owners.

Actual Government holdings must be down to around 50 million bushels or one-sixth of the peak of the McFarland accumulation. With present exports averaging around five million bushels weekly, sale of this small accumulation should be neither dangerous nor difficult and can easily be accomplished before the commencement of the new crop year on Aug. 1 next.

* * *

WORLD producing countries have shown a disposition to follow such a lead. The Argentine, our principal competitor, has already announced termination of price pegging. That country, apparently, after just completing a grain year in which this price peg was no longer necessary, has come to the conclusion that its wheat trade can now stand on its own feet. With the lesson of two successive crops below actual consumption there is no likelihood of any further Government block purchasing in United States. Crops in Europe and the rest of the Eastern Hemisphere have indicated that the cycle of above average yields has passed in that area for the time being. Now is the time for the Canadian wheat industry to revert to a normal basis, and the only basis whereby growers can expect to reap the maximum results from their labors.

* * *

Blaming It On the Tariff

ONE of the tasks of the present Turgeon wheat enquiry is to find out why and to what extent Canada has lost wheat markets, and why wheat has not sold to better advantage. Various villains for the piece have at various times been suggested. The grain exchange, and the whole machinery of the grain trade have been attacked. The wheat pools have come under censure. The McFarland-Bennett wheat policies of 1930-1935 have been criticized and have been defended with equal vigor.

The depression is generally understood to have had something to do with it. And now a new villain is suggested: the Canadian tariff itself, to which some pointed if academic references have been made before the commission.

The textile industry will doubtless feel that it was carrying sufficient troubles already without being blamed, as it was the other day, for the loss of a considerable part of Canada's wheat exports to Switzerland, because Canadian imports of Swiss textiles were drastically reduced, a result attributed to the Canadian textile tariff. Against that charge some defense was offered by

(Continued on page 2, col. 3)

Aberhart Tide Slowly Ebbing Ranks Restive

Premier's Assertions Seen as Whistling to Keep Up Courage

B. C. MOVE FLOPS

From Our Own Correspondent

EDMONTON.—Increasing attacks from the ranks of his own disciples, impatient at delays in prophecy fulfilments seem to indicate clearly the collapse of the Aberhart régime in the near future.

The prophet-Premier's recent assertion that all is well with the Social Credit Government and its programme is carrying little weight in face of the obvious fact that the Government scarcely knows what to do next.

The Premier's remarks that Social Credit was sweeping British Columbia "like an economic prairie fire" is regarded as a case of whistling to keep up his courage especially as, close on the heels of the remark, came the collapse of his new-born political organization in the coast province.

For the past eight or 10 weeks the Aberhart Government has followed a policy of drift that has had a numbing effect on the enthusiasm of many of its followers, whose hope of positive action was all that kept them in line.

Evidence of Drift

Evidence of this drift lies in Mr. Aberhart's return to vague generalizations after last summer's repeated declarations of plans to start the system without delay. Recently Mr. Aberhart said his system would include dividends "if necessary." A year ago, the whole scheme of dividends was to be "wonderously simple."

Mr. Aberhart has been under increasing attack from his own ranks. In the case of three Social Credit aldermen in Calgary, as with the two outcast government M.L.A.'s before them, S. A. G. Barnes, of Edmonton, and James Hansen, of Taber, the individuals concerned insisted they stood for "real Social Credit," while repudiating Aberhart policies.

An example of the waning strength of the Aberhart Government is to be found also in the rapidly diminishing interest of retail merchants in the code and licensing proposals of the Government, which have been in effect for six months or more.

Hollow Triumph

The debt reduction measure made friends for Mr. Aberhart among some electors, but the hollowness of this triumph is appearing with the growing realization that business and industry is handicapped by the resulting impairment of credit and confidence.

In connection with the Aberhart threat of licensing the press, a matter which Mr. Aberhart personally brought up, nothing has been done, with bad effects on many local party groups who took Mr. Aberhart at his word and passed resolutions endorsing in advance any steps he thought necessary. Opposition to press licensing developed in several constituencies, and the failure of Mr. Aberhart to substantiate his case against the newspapers with detailed charges has worked against him.

People's League Spreads Rapidly

Membership at 50,000 After Two-month Drive

From Our Own Correspondent

EDMONTON. — The People's League of Alberta, after two months of organizing, reports a paid-up membership of slightly more than 50,000, while in the past two weeks the number of affiliated branches has increased from 75 to 152.

The league is non-political and non-partisan and, according to its officers, directed toward the establishment and retention of sound business government and retention of the British principles of freedom of thought and of the press.

When the permanent executive is set up it will be by general convention representative of every branch in the province. At present effort is being directed toward arranging for such a gathering before the next session of the Alberta legislature.

Wheat Reserves Near Exhaustion

Not for five years have world wheat crops exceeded total current consumption. As a result, carryover is now down to the lowest point in 12 years. Only bumper crops in major producing countries next year, it would seem, will prevent practically complete disappearance of all reserves.

The present situation with a provisional estimate for the 1936-37 grain year which ends July 31 next, is tabulated by the International Institute of Agriculture as follows:

World Wheat Position

	Season's Surplus	(In millions of bus.) Carryover Prev. Year	Demand
1932-33	730	1,253	629
1933-34	498	1,123	546
1934-35	323	911	533
1935-36	371	747	500
1936-37	426	676	545

Highlights

Ottawa Tackles Trade

Forthcoming session of Parliament promises highly significant developments in Empire and foreign trade matters. Page 14

Dynamite vs. Gasoline

Jack Hammell supplies the dynamite, human variety, and the Pogue carbureter handles gasoline end of the business. Page 14

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Hunt's Candy Prices Drop To Meet Trade Competition

The plan of leading candy manufacturing firms in Ontario to maintain a price of 60 cents for a single pound and 50 cents for larger quantities has failed temporarily.

Competitive conditions are understood to account for the restoration after two months at 60 cents for one pound, of the price of 50 cents for a single pound of candies by Hunt's Ltd., large central Ontario manufacturer and distributor. This is intended to help get the Christmas business.

Laura Secord Candy Shops is retaining the price of 60 cents for a single pound and 50 cents a pound for larger quantities.

Wholesalers and Costs

It is understood the reason for the return to a straight 50 cents a pound by Hunt's is that other distributors to the retail trade failed to adopt the 60-cent price for one pound. Since Hunt's does a substantial wholesale business, it is meeting the price of other distributors, and is also selling at 50 cents in its retail stores.

William Neilson & Sons, Toronto, retained the straight 50-cent price when other firms raised their quotations in October. It is a large wholesaler.

The belief in the confectionery trade is that sooner or later retail prices must be raised to offset the rising costs of raw materials. Prices have continued at sharply higher levels this year for dairy products, nuts, particularly almonds, and for cocoa. Sugar has also been slightly higher.

U.S. Officials Visit Ottawa On Waterway

St. Lawrence Development Subject of Parley With Premier

EXCHANGE VIEWS

From Our Own Correspondent

OTTAWA.—Discussions looking toward a new St. Lawrence waterway treaty which would be at once acceptable to the U. S. Senate and to the several Canadian Governments were initiated at Ottawa last week, and will be followed by others in early weeks.

A delegation from Washington and Albany had dinner at Laurier House and exchanged views with Premier Mackenzie King and some of his colleagues.

Propose One Treaty

One proposal is that the St. Lawrence treaty and the Niagara beautification treaty signed in 1929 be incorporated into a single document. Canada ratified the Niagara treaty but the United States did not.

A clause of the waterway treaty as signed which ran foul of the United States Senate was that which provided that Canadian workmen were to be employed even on some works which were being financed by the United States.

Province's Views Uncertain

Mr. Mackenzie King is understood to have pointed out that he and his Government were favorably inclined toward the waterway project, but that one party to the project, Ontario, had voiced opposition to the expenditure of large sums for power developments which it is claimed are not required at an early date. The fact is believed to have been brought out, also, that the attitude of Quebec under a new government is an uncertain element in the negotiations.

The Niagara treaty contains a clause which would permit the Ontario Government to divert 10,000 cubic feet per second for the development of power. An effort was made to have this deleted, but the Canadian Government, then under Premier R. B. Bennett, was opposed to this step.

The United States delegates were J. A. Hickerson of the State department, Basil Manley, vice-president of the Federal Power Commission and chairman F. P. Walsh and Leland Olds of the New York power authority.

Expert Closes Survey in West

Report for Edmonton and Calgary Bondholders Ready Soon

From Our Own Correspondent

EDMONTON.—In connection with requests of Edmonton and Calgary, for adjustments of debenture interest, the finances of Alberta's two largest cities have been the subject of a survey by Jules E. Fortin, secretary of the Dominion Mortgage and Investment Association. He has completed reports on the Alberta cities and has gone to Victoria to make a similar survey there.

Mr. Fortin has sent the reports covering his surveys to his committee in the east, and it is expected that the results of his enquiries will be available early in January. At the hearing before the Alberta Public Utility Board into Calgary's request for a temporary reduction in interest, Mr. Fortin stated that when the hearing resumes he would be prepared to say whether his committee felt that a reduction was justified. If it was found that a temporary cut in interest was warranted he would present a plan which would form the basis of discussion between the city and the bondholders.

Both Calgary and Edmonton claim that the limit of taxation has been reached, and point to growing tax arrears of recent years. In the case of Edmonton the current tendency to more buoyant revenues has been coupled this year with slight compensating reduction in arrears.

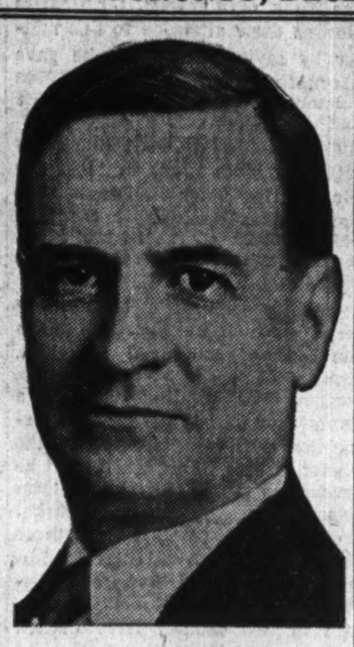
Assay on Rubec Held for Report

Result Kept Secret Until Completion of Probe, Campbell Announces

From Our Own Correspondent

MONTREAL.—Results of the assay of the ore taken from hole No. 19 on Rubec Mines property will not be made known until a report has been submitted to the Ontario Securities Commissioner, according to a statement issued by Colin A. Campbell, M.E.

"Hole No. 19 has been completed and I have examined the portion of the core sent for assay. The results are in my possession. However, in view of the fact that the Ontario Securities Commissioner, on the request of Rubec Mines that an engineer be appointed, has appointed me to make a thorough examination of the property, therefore I have recommended to the officials of the company that the results of hole No. 19 be not given out until I complete my examination and report."



BANK DIRECTOR

At the annual meeting of the Bank of Montreal this week, Louis L. Lang, president of Lang Tanning Co., Kitchener, Ont. (above) was elected a director. Mr. Lang is vice-president of the Mutual Life Assurance Co. of Canada and the Waterloo Trust & Savings Co. and a director of Shurly-Dietrich Co.

Stock Offering Of Wings Ltd. Under Option

Prospectus Shows Operating Profits of $36,451

From Our Own Correspondent

OTTAWA.—A prospectus whereby substantial blocks of optioned shares are to be offered to the public has been filed at Ottawa by Wings Limited, Winnipeg air transport firm. The proceeds are to be used to complete the payment for flying equipment which has been purchased, to provide additional equipment, and for working capital.

The shares have recently been selling around $2.50.

The company filed with its prospectus a financial statement which showed net operating profits before provision for depreciation and income taxes, for the six months ended Oct. 31, 1936, of $36,451. After deducting depreciation of $13,540, adding profits from the sale of investments of $28,599 and deducting provision for income tax of $4,458, the net profit for the six months was given as $47,051.

Earlier Record

In the year ended April 30, 1936, a net loss of $11,309 was shown, and in the 9½ months ended April 30, 1935, a net profit of $12,982.

There are 200,000 shares of common stock authorized, of which 125,499 have been issued, and 118,874 fully paid up. The holders of the common shares have one vote each.

Options Outstanding

Roy Brown, president, E. W. Stull, vice-president, and Milton E. Ashton, general manager, each own options to buy 20,000 shares at $1. These must be exercised by Sept. 30, 1937. Philip W. McBean, Winnipeg, "financial agent" holds an option to purchase 50,000 shares at $1.50 each. This must be exercised by April 12, 1937. If it is taken up by Dec. 24, 1936, Mr. McBean is to have an option on a further 50,000 shares at $3. This latter option must be exercised within 90 days of Dec. 24, 1936.

Offering 50,000 Shares

The securities offered are 50,000 shares sold to Philip W. McBean under agreement dated Nov. 12, 1936, at $1.25 a share and additional shares if taken up by McBean under the options. The proceeds will be used as follows:

	$
To meet outstanding obligations..	25,000
Additional equipment	112,500
Additional working capital	150,000
Total	287,500

In the opinion of the directors the minimum amount which must be raised is $25,000 to provide the price of property already purchased.

Equipment Purchased

Within the past two years the company has bought, but has not fully paid for, two Waco cabin airplanes and one Noorduyn Norseman airplane.

There is payable on the above in cash to Harry A. F. Pugh, Chatham, $1,000; to A. Harold Farrington, Winnipeg, $4,500; Noorduyn Aircraft Ltd., Montreal, $19,000.

In connection with the acquisition of these aircraft the following share transactions are described as having taken place: To Harold Farrington, 6,000 shares; to shareholders of Northwest Aero Marine Ltd., 4,839 shares for 3,872 shares of preference stock and 3,718 shares of common stock of Northwest Aero Marine Ltd.

Control and Suit

By virtue of a voting trust agreement to be entered into in respect to 48,000 of the 50,000 shares to be purchased by Philip McBean, Messrs. Brown, Stull, Ashton and D. S. Ormond, secretary-treasurer, will be in a position to elect a majority of the board of directors.

Gross assets as at Oct. 31, 1936, were given as $232,300.

Liabilities included an item for "contingent liabilities" of $93,868 "on claims in suit against the company arising out of accidents to aircraft of the company."

Pogue Tells Principle Of His New Carbureter While Scientists Scoff

"Impossible"

"Not only impracticable, but impossible":—Professor E. A. Allcut, Faculty of Applied Science, University of Toronto, commenting on the possibilities of the Pogue carbureter.

* * *

"A gallon of gasoline contains a definite amount of thermal efficiency or energy; nothing can increase it."—A Canadian engineer.

* * *

"Absolute zero—450 degrees below zero Fahrenheit — has never yet been reached in any scientific laboratory, but putting a Pogue gadget on a Ford car in Winnipeg did the trick."—David H. Bottrill, Toronto automotive engineer.

* * *

"No one—even Pogue—can repeal the second law of thermo-dynamics." — A Canadian engineering expert and authority on physics.

"We're Going Ahead"

"If Pogue's carbureter is practicable even though it won't give 200 miles on a gallon of gasoline, it is an improvement over existing carbureters."—Prominent Canadian engineer.

* * *

"A gallon of gasoline contains enough energy to drive a light car 400 miles."—A. P. Sloan, president, General Motors Corp.

* * *

"Tests of the carbureter have shown, apart from the remarkable mileage attained, that damaging conditions in the motor are eliminated to a great degree."—Charles Nelson Pogue, inventor of the carbureter.

* * *

"We are going ahead with the tests."—John E. Hammell, sponsor of the Ontario tests of the carbureter.

By THOMAS C. THOMPSON

Behind a barrage of scepticism and frank incredulity, the work of testing the Pogue carbureter is going on day and night. Tests this week have neither proved the commercial possibilities of the device, nor disproved the claims of its inventor that it will enable an automobile to travel 200 miles or more on a gallon of gasoline.

Worried over unsought publicity, harassed by would-be investors and friends, Pogue himself has fled the secret laboratory and is on a flying visit to his Winnipeg home, scene of early efforts in connection with the carbureter.

"He went west to get away from all this publicity," explained John E. Hammell, financial sponsor of the tests in Ontario, but The Financial Post learns that Pogue's present plans involve his return to Ontario this week.

Meanwhile, a storm of controversy rages among scientists and engineers, laymen, optimists, and the public at large. Opinions varying from almost idolatrous faith in the money and backing of John E. Hammell to indignant expressions of "poppycock" from engineers, surround the carbureter situation. Pogue, this week, gives the first detailed public explanation of the principle on which the carbureter operates.

One engineer, long experienced in the automotive field, David Hugh Bottrill, of Toronto, frankly terms the Pogue device "impossible" as a means of enabling an automobile to travel 200 miles or more on a gallon of gasoline.

Explaining why its engineering efficiencies "are impossible," Mr. Bottrill declares that the second law of thermo-dynamics is the answer. The efficiency of any heat engine, he asserts, is equal to the temperature of heat supplied, minus the temperature rejected, divided by the temperature of heat supplied. In most automobiles, Mr. Bottrill declares, the engine temperatures are 5,000 in combustion and 4,000 in rejected heat, or mathematically expressed:

$$\frac{5{,}000 - 4{,}000}{5{,}000}$$

Equal to 20% of thermal efficiency, which in other words is the percentage of fuel converted into work and which, if he wants to, the layman can think of as "miles travelled."

"Nor let him be alarmed about this low efficiency," declares Mr. Bottrill, "It is still much more efficient than any steam engine."

But as to Pogue's claim, Mr. Bottrill declares that "any gadget placed on a car that does not change or have any effect on the tempera-

(Continued on page 2, col. 5)

Montreal to Ask Ban On Industries "Steal"

Protests Tax Concessions Offered by Smaller Centres

From Our Own Correspondent

MONTREAL. — Montreal is annoyed by the way small industrial centres throughout the province have been stealing its industries on the promise of tax exemptions and other concessions. In order to prevent further loss, the city fathers plan to petition the provincial government to prevent any further tax commutations.

Montreal cannot vote such tax exemptions, but there are some municipalities in the province which enjoy such privileges through their charters. In general a statute passed by the Quebec Government about five years ago forbade commutation of taxes on the part of municipal corporations. Those enjoying the privilege, however, are not affected by the general statute if their charter allows it.

Sherbrooke Causes Showdown

Sherbrooke recently asked its ratepayers to vote approval of a 10-year tax exemption to a Montreal manufacturing firm. The exemption is to be granted not to the firm itself, but to the realtors handling the property where the shop would be operated. They, in turn, would pass on the benefits to the tenant or purchaser.

The Provincial Government will be asked by the Montreal city council to stop Sherbrooke from concluding such an arrangement and to pass special legislation at the next session prohibiting any municipality in the province from offering tax exemptions to any industry in future.

Who is Right On Munitions?

The Scene: A Taxicab.

The Place: Brantford, Ont.

Says the Passenger: "What's new?"

Says the Taxi-driver: "Both Massey-Harris and Watrous Engine Works are making munitions. For three weeks now."

* * *

Which, in essence, is the way munitions stories maintain their buoyancy in spite of vigorous denials from company officials and those "in the know."

The real answer is anyone's guess just now since any orders placed, promised, or anticipated have apparently been given under penalty of absolute secrecy, which puts company officials directly "on the spot." And in Great Britain there are severe penalties for disclosure of information regarding manufacture of arms, aircraft, etc.

Nova Scotia Steel To Pay Higher Wages

MONTREAL.—Nova Scotia Steel & Coal Co. announces a wage increase, effective Dec. 15, of four cents an hour in the check time rate for labor in steel and car plants. The check time rate was reduced to 26 cents an hour more than two years ago. The present increase will bring the rate back to the former figure.

Toronto Elevators 7% Pfd. To Be Refinanced at 5¼%

Offering of new 5¼% preferred shares of $50 each of Toronto Elevators Ltd. is expected to be made by Dominion Securities Corp., provided shareholders adopt new by-laws at a meeting called for Dec. 17.

In a letter to shareholders, the company states that directors have adopted by-laws providing for redemption at 110 of the present 7% preferred stock and calling for creation of a new issue of 30,000 shares of 5¼% preferred. Common shareholders will be entitled to vote on the proposal on Dec. 17. Preferred shareholders cannot vote except by using their privilege of converting one preferred into three common shares prior to the meeting.

The 7% stock is callable on 60 days' notice and in that period the present preferred may be converted into common. The new 5¼% preferred would be cumulative, and callable at 52½.

At July 31, 1936, there was $1,485,800 of the 7% preferred outstanding. The 30,000 shares of $50 stock would amount to $1.5 million. The amount required for the redemption at 110 would be $1,634,000, but this would be reduced by any conversions of the 7% preferred into common stock prior to the redemption.

Godfrey Bars Sales Permits To Companies

Licenses for Stock Selling To Be Issued Only To Individuals

STOP FRONT MAN

The Ontario Securities Commission has shut down on the issue of stock selling licenses to brokerage houses or limited companies. In future it will deal only with individuals and these individuals, in applying for a license will be required to furnish the names of sleeping partners, financial backers, or others who may be connected with their sales organization.

This move on the part of Securities Commissioner J. M. Godfrey will, it is hoped, eventually eliminate "front man" stock selling rackets described in last week's issue of The Financial Post. These operations, carried on ostensibly by properly licensed salesmen, are, in some cases, actually promoted by men with known records of fraudulent stock selling. By keeping officially out of the picture and operating only under cover of his "front man" this type of racketeer has been able to push his stock with the apparent sanction of the Ontario Securities Commission. Licenses already issued are, of course, unaffected by the new regulation.

The Financial Post, however, has the assurance of the Commissioner that suspected corporations are being watched closely though it is difficult, if not impossible to uncover the necessary link for a legal chain of evidence binding the selling outfit to the racketeer promoter.

January Conference

The January conference of all provincial securities commissioners will, it is expected, provide the first move in setting up Dominion-wide machinery to deal with this and other forms of fraudulent stock selling. If the goal set by Commissioner Godfrey is reached at the conference it will lead to uniform securities and company legislation which, automatically, will remove present obstacles in a cleanup of the Toronto and Ontario situation.

Perhaps the worst of these obstacles is the helplessness of the Ontario commission to stop telephone calls from Toronto to centres outside the province except in the case of Quebec where a recent reciprocal arrangement has cleared the way. The Ontario Commission can and has, to some extent, destroyed the value of these calls by an exchange of information with commissions of other provinces but the Toronto operator can still carry on this remote control business within the limits of the law.

Telephone sales to the United States have already been controlled by the reciprocal pact with Washington concluded by Mr. Godfrey after the border boiler room disclosures a few months ago. No stock can be sold in the United States from Ontario unless registered with the Securities Exchange Commission and Mr. Godfrey is already investigating the Toronto sale to a Birmingham, Alabama, client drawn to his attention through the columns of The Financial Post.

Probe Sales to U. S.

In the case of stocks registered with the S. E. C. and sold from Toronto the information is passed on to Washington to afford the opportunity of checking on possible fraudulent misrepresentation. A list of 25 such cases was recently sent to Washington. The commissioner has received a report on two of these transactions in which, while there had been no actual fraud, statements had, in his opinion, been "exaggerated in regard to the increase in the price of the stocks involved."

In another case cited by The Financial Post it was found that the operator had actually run foul of the Ontario regulations in attempting to sell stock by telephoning a businessman who, a month previously, had filled in an enquiry form. This, the brokerage house claimed, placed him on the status of a client. In the clause forbidding telephone sales in Ontario, however, the regulations except only "regular customers" and Commissioner Godfrey has made an arbitrary definition of this phrase as those with whom at least three legitimate stock transactions have been concluded.

The case has already been investigated by the Commission. The mining stock offered had subsequently slumped to a nominal figure and though the Commissioner found that the firm itself had been "grossly deceived by the report of the former engineer on the property" the methods used to sell may result in cancellation of the license.

Dominion Bridge Group To Open Steel Plant

From Our Own Correspondent

MONTREAL.—Interests closely allied with Dominion Bridge Co. have formed the Sault Structural Steel Co., which will erect a small plant on Algoma steel property at the Soo for the prefabrication of steel for structural and bridge work, except plate orders.

It is anticipated that the new company will be in a preferred position to supply demands for structural steel and bridge work in the Northern Ontario field, which, on account of mining developments, has become increasingly important in recent years. Sault Structural Steel has an authorized capital of $100,000. It will operate as a private company.

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46

Strength to Strength

Since the opening of its first office in 1871, The Dominion Bank has forged steadily ahead, never spectacularly but always naturally and healthfully. Without recourse to absorptions or amalgamations but simply by linking prudence with enterprise, it has moved along from strength to strength, matching its own growth with the growth of Canada.

389

THE
DOMINION BANK
ESTABLISHED 1871

C. H. CARLISLE,
President

DUDLEY DAWSON,
General Manager

Capital Paid Up - - - - - - - $7,000,000
Reserve Fund and Undivided Profits $7,592,000

The Nation's Business

(Continued from page 1)

reference to monetary conditions during recent years. It may have been flattering to Swiss pride when the Swiss gold franc was accepted as standing for all that was left of the old gold standard of the world. But the offsetting fact was that such a condition made it difficult for Switzerland to sell, and equally difficult for other countries to buy, Swiss products in anything like the volume that had formerly prevailed.

* * *

West Not Yet Free Of Radical Threats

HON. T. A. CRERAR made a splendid address in New York the other day in which Canada's position was described in very optimistic terms. The Financial Post cannot agree with one opinion expressed by the Federal Minister of Mines and Resources: that there is little danger of other Western provinces following Alberta's lead.

Despite the voluntary debt adjustments by the mortgage interests in Saskatchewan and Manitoba there is still much discontent in these provinces. The mass of the people are told that the West is being oppressed by the financial interests of the East. One of the most important objects of criticism is the interest rate on provincial bonds. Unless there comes out of this week's provincial conference at Ottawa some plan to reduce this burden it is quite possible that radical theories will gain further ground. It is still possible that other governments will come into power prepared to take action similar to Alberta's.

* * *

THERE can be no disagreement with Mr. Crerar's statement that the people of the West are basically honest and that there are very few people in these provinces who "consciously and deliberately wish to repudiate their obligations."

Mr. Crerar believes that within a few years the native common sense of the people of Alberta will assert itself and that the province will alter its course. The difficulty is that in the meantime irreparable damage will have been done to the economic and credit structure of Alberta and of the Dominion as a whole. The economic consequences in Alberta will be especially serious and the suffering of its citizens will increase rather than diminish. The situation in a few years may be such that it will be impossible for the province to retrace its steps. This in itself is sufficient reason to justify the Dominion Government disallowing the Alberta legislation.

* * *

Banks Have Problems In Lending Money

LACK of demand for commercial loans has become a pressing problem for the Canadian banks. In his address to the shareholders of the Bank of Montreal, Sir Charles Gordon drew attention to this matter by saying that when he gave his first presidential address in 1928 commercial loans amounted to 45% and investments 15% of deposits. Today commercial loans amount to 21% and investments to 64%. As Sir Charles aptly remarked "our business has become, for the time being, almost of the nature of an investment trust." The other chartered banks tell a similar story.

Quite properly the banks have employed their surplus funds in the purchase of gilt-edged securities, usually of a short-term duration, though it is admitted there is a temptation to buy longer-term securities for the benefit of the higher return. However, it must be recognized that the short-term securities available in this market are of longer duration than those ordinarily held by similar institutions in the United States and elsewhere. Further the security markets in this country have limited powers of absorption and any unusual liquidation of bank investments to provide for commercial loans might seriously affect financial markets.

* * *

THIS possible predicament, recognized in banking and commercial circles, brings up again the matter of interest rates on bank loans. Hitherto the chartered banks have maintained that a fixed rate of interest was more favorable to industry over a term of years than one which fluctuated with the demand for money. They also claim that a lowering of rates would not cause any material increase in commercial loans, as business does not need further credit to finance the existing volume of trade. There is by no means a unanimity of opinion on this point. If the present trend to increase an already disproportionate share of deposits in investments continues, the banks may have to revise or adopt new policies to ensure their proper functioning as commercial banking institutions. We may see further revision downward of commercial lending rates to stimulate new lending.

Crerar Sees Early Change For Albertans

Doubts Spread of Social Credit to Other Provinces

Speaking before the annual convention of the Association of Life Presidents at New York on Dec. 4, Hon. T. A. Crerar, Dominion Minister of Mines and Resources, expressed the opinion that there was little possibility of other western provinces following Alberta's lead in arbitrarily reducing bond interest and adjusting mortgage debts. In this connection he had the following to say:

" . . . The people of Alberta are very far from being united in supporting the policies initiated by the present Government, and if I may express a personal view, it would be that within a few years the province will get back to the methods which have been generally characteristic of the public administration of our various governments."

The Hydro-Electric Power Commission of Ontario

Notice of Redemption

To the Holders of:

3½-4-5 per cent Twenty Year Debentures of The Hydro-Electric Power Commission of Ontario dated 1st October, 1932, and due 1st October, 1952, issued under the authority of The Power Commission Act and amendments and of Order-in-Council passed the 11th day of October, 1932, and guaranteed by the Province of Ontario.

NOTICE is hereby given that pursuant to the terms and conditions of said Debentures The Hydro-Electric Power Commission of Ontario will on the FIRST DAY OF APRIL, 1937, redeem all its said 3½-4-5 Per Cent Twenty-Year Debentures then outstanding by paying the principal of the same with accrued interest on the said principal to the said First day of April, 1937, at the principal offices of the Bank of Montreal in Toronto, Montreal, Winnipeg, Regina, Calgary, Vancouver, Halifax and St. John, in the Dominion of Canada, at the holder's option, on presentation and surrender of the said Debentures with the coupons appertaining thereto which mature on and after the First day of April, 1937.

NOTICE IS ALSO GIVEN that pursuant to the terms and conditions of the said Debentures all interest on such Debentures shall cease from and after the said redemption date, namely the First day of April, 1937, and coupons for interest to accrue after said date upon the said Debentures shall become and be void.

Dated at Toronto, Canada, the 10th day of December, 1936.

THE HYDRO-ELECTRIC POWER
COMMISSION OF ONTARIO
A. MURRAY McCRIMMON,
Secretary and Controller.

Fanny Farmer Dividend 37½c

Fanny Farmer Candy Shops has declared the final quarterly dividend of 12½ cents a share for 1936 with an extra payment of 25 cents a share. The payment of 37½ cents a share is to be made Dec. 23 to shareholders of record Dec. 15.

This brings total disbursements from 1936 earnings up to 87½ cents a share, compared with 50 cents a share from 1935 profits. The last previous payment totalled 25 cents a share on Oct. 1, 1936, and the recent increases reflect improved sales and earnings this year.

International Paints Pays "Extra" Preferred

MONTREAL.—International Paints (Canada) Ltd., in addition to the regular 75-cent dividend on the new 5% preferred stock, has declared an additional preferential dividend of 25 cents a share, payable on Dec. 21 to shareholders of record Dec. 9. These payments are for the nine months period ended Sept. 30, 1936.

Canadian Celanese Co. Final Dividend Later

MONTREAL. — The amount of participating dividends to which holders of Canadian Celanese 7% cumulative participating preferred are entitled for the year 1936, will be determined when the accounts for the year have been closed, according to a statement issued by the Board.

Foreign Exchange

Sterling was slightly weaker last week reflecting uneasiness over the dispute between the King and his ministers. A further influence tending toward uneasiness is the continued flow of funds from London to New York. This is largely offset, however, by heavier commercial demand in the United States to cover English commitments made a month or two ago. At that time, some American debtors held off payment in the expectation that sterling would decline further.

The flow of gold to the United States has been such that the authorities are considering some action either to cut down or "sterilize" the increasing stocks.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Dec. 1	Dec. 2	Dec. 3	Dec. 4	Dec. 5	Dec. 7
U. S. Dollar, High	.99 11/16	.99 11/16	1.00	1.00 1/16	1.00	.99 15/16
Low	.99 11/16	.99⅞	.99 15/16	1.00	.99 15/16	.99 15/16
1935 High	1.01 3/16	1.01 3/16	1.01 3/16	1.01⅛	1.01⅛	1.01 3/16
Low	1.01 3/16	1.01 3/16	.....	.....	1.01 3/16	1.01 3/16
U. K. pound	4.90¼	4.90½	4.90 3/16	4.90⅛	4.89¼	4.89½
Argentine	.....	.2838	.2870	.2890	.2888	.2886
Australia	3.9150	3.9167	3.9219	3.9137	3.9122	3.9098
Austria	.1873¼	.1874¾	.1872	.1876	.1875	.1873¼
Belgium	.1689	.1691½	.1692½	.1692	.1691	.1691
Brazil	.0590	.....	.0595	.0590	.....	.0595
Czechoslovakia	.0353½	.0353½	.0353¾	.0353¾	.0353½	.0353½
Denmark	.2190½	.2190½	.2191	.2189½	.2187	.2187
France	.0466¼	.0466½	.0466½	.0466⅛	.0465½	.0465½
Germany	.4020¼	.4021½	.4024	.4024	.4021½	.4020¼
Greece	.0090	.0090	.0090	.0090	.0090	.0090
Holland	.5435¾	.5441½	.5444	.5442	.5436½	.5435
Hungary	.1978⅛	.1978¾	.1980	.1980	.1978¾	.1978
India	.3706½	.3712¼	.3708	.3707	.3701½	.3698½
Italy	.0526	.0526¼	.0526½	.0526½	.0526	.0526
Japan	.2860	.2863¼	.2862	.2860	.2844¼	.2843¾
Jugoslavia	.0233¼	.0233¼	.0233½	.0233½	.0233½	.0233¼
New Zealand	3.9463	3.9482	3.9575	3.9452	3.9500	3.9412
Norway	.2464⅛	.2465½	.2466	.2464½	.2462	.2461½
Poland	.1886	.1888	.1888	.....	.1890	.1889
South Africa	4.8790	4.8811	4.8962	4.8774	4.8875	4.8723
Sweden	.2529⅛	.2530½	.2500	.2526½	.2526	.2524½
Switzerland	.2296¾	.2298	.2299½	.2299	.2297½	.2296¾
Hong Kong	.3057⅛	.3062	.3070	.3063	.3058	.3066

Weekly Record of Financing in Canada

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
British Columbia Power Corp.	Dec. ...	Nesbitt, Thomson & Co., Wood, Gundy & Co., Societe de Placements	3%	1938-45	$1,600,000	...	.....
			3½%	1938-45	1,600,000	...	.....
			4¼%	1960	10,800,000	100	4¼%

Pogue Tells Principle Of His New Carbureter

(Continued from page 1)

ture range between combustion and exhaust, can have no effect on the thermal efficiency."

Dealing with Pogue's reported 200 miles from a gallon of gasoline, Mr. Bottrill has an equally emphatic answer.

"Miles per gallon is a convenient way of reckoning for any one car, but as the horsepower varies so do the miles per gallon, as witness the difference between a Cadillac V-16 and an Austin. However, the thermal efficiency is the same for both engines, about 20%."

Citing the mileage claimed for a Ford V-8 equipped with a Pogue carbureter, over 200 miles per gallon, Mr. Bottrill declared the thermal efficiency of a Ford is about 20% and that no "gadget" can be placed on it to alter that degree of efficiency.

"If," he continued, "the thermal efficiency were increased to 100% the mileage would be five times the mileage at present furnished by Mr. Ford's excellent piece of mechanism.

"If we credit the Ford with 35 miles to the gallon, then five multiplied by 35 gives 175 miles per gallon, which is the maximum possible mileage at 100% thermal efficiency."

Below Absolute Zero

But Mr. Bottrill asserts that such an efficiency makes no allowance for friction losses or the tremendous losses in cooling the engine. "And as it is using every last British thermal unit (B.t.u.) in the gasoline, the temperature of the exhaust gas must be absolute zero, which is 450 degrees below zero Fahrenheit. Absolute zero has never yet been reached in any scientific laboratory, but putting a Pogue gadget on a Ford car in Winnipeg did the trick!"

In general agreement with Mr. Bottrill are a half dozen prominent scientists and engineers who assert there is either a "nigger in the woodpile" or that in overcoming the second law of thermo dynamics, Pogue has performed a modern miracle—which they frankly doubt.

One nationally-known engineer, whose name The Financial Post is not at liberty to quote, but who has seen actual sketches of the device, asserted that it remained to be proved practicable from an operating standpoint. "If that is proved, however," he added, "the carbureter has features which would seem to make it far superior to the existing type." He referred particularly to the objective of heated, ultra vaporized gasoline and air and the consequent savings in fuel, as against the feeding of raw gasoline, only semi-vaporized.

He pointed out that any engineer could design a carbureter that would increase mileage under ideal conditions. But the real test was whether or not they were practicable for everyday operation.

For instance, would the carbureter be of any value on a cold engine? Would the average motorist accept a carbureter that required a special pre-heating system for the engine?

This authority revealed that one of the greatest automotive engineers on the continent had built a carbureter of the Pogue type—or what the engineer thought was the Pogue type—and his company had rejected it as impracticable, although having great theoretical advantages.

"400 Miles Per Gallon"

Alfred P. Sloan, president of General Motors Corp. has already declared that a gallon of gasoline contains enough energy to drive a light car not 200, but 400, miles.

Mr. Sloan is quoted in the recently published book, "The Next Hundred Years," written by C. C. Furnas, associate professor of chemical engineering at Yale University, but Mr. Furnas does not agree with Mr. Sloan's view. Indeed he practically challenges it—and adds thereby another astonishing clash of opinion over the inherent powers on a gallon of gasoline, a controversy arising out of the Pogue carbureter claims.

Says Mr. Furnas, "Mr. Sloan, president of General Motors Corp., states that a gallon of gasoline contains enough energy to drive a light car 400 miles. I have a great deal of respect for Mr. Sloan's knowledge and vision, his degree from the Massachusetts Institute of Technology and his membership in the Society of Automotive Engineers, but I certainly cannot agree with him on that 400 miles."

"Motor car efficiency can be greatly improved," says Mr. Furnas, "but there are a number of reasons why 400 miles per gallon cannot be considered, even in a theoretical dream."

On the other hand, the extreme care exercised in patenting the device or its essential parts all over the world is significant. Thousands of dollars have been spent in this connection alone and the patent position is now protected in Argentina, Austria, Australia, Belgium, Brazil, British India, Canada, Cuba, France, Germany, Great Britain, Greece, Italy, Japan, Mexico, New Zealand, Poland, Roumania, South Africa, Spain, Switzerland and the United States of America.

Pogue, the inventor, has worked for 17 years to prove a car can travel 200 miles on a gallon of gasoline. He says he has done it. Scientific criticism, summed up by one scientific commentator, is that the claim is "Poppycock—It can't be done."

John E. Hammell is gambling that Pogue is right. This week at a dinner gathering of 400 Toronto businessmen he admitted that the story of the carbureter had become public before he intended it should. "The Financial Post telephoned me that they had the whole story and, because it was news, they were going to publish it," he told his hearers.

Pogue's Own Story

As for Charles Nelson Pogue, inventor of the carbureter, he made, this week, his first public statement in connection with the new tests and research effort.

Writing in Canadian Automotive Trade, a MacLean publication, Mr. Pogue this week says, that in the ordinary carbureter, the "gasoline, in the form of small globules, joins the air in the rush for the intake manifold and the cylinder. This air, when the car is travelling at an average driving speed of 30 to 35 miles an hour, is travelling at about 200 miles per hour and it is obvious, therefore, that this air is carrying the gasoline at such a speed that there is extremely little time for it to gasify. The result is that much of the gasoline is still in the form of globules when it arrives in the cylinder. Gasoline not fully vaporized when the point of maximum compression is reached, is wasted so far as power production is concerned.

"When the spark occurs, only the film of gas which surrounds each globule of gasoline explodes and does useful work. At the same time, the globules of liquid, or unvaporized gasoline, are set on fire.

"In existing systems," gasoline is broken up by suction. In the Pogue system, gasoline is broken up by pressure from the fuel pump through jets. In the first break-up, gasoline is broken up finer than in existing carbureters. The break-up of the gasoline in the present-day carbureter depends entirely on the force of air coming into the tube. In the Pogue carbureter, gasoline is broken up by pressure which is carefully calculated in accordance with the amount needed. After gasoline is broken up extremely fine by the jets, the vapor passes into the first mixing chamber.

"Any gasoline that condenses on the walls of the mixing chamber returns to the float chamber, and the valve located in this chamber permits the gasoline, when a certain level has been reached, to return to the opposite side of the fuel pump, when it is used over again.

"The vapor passes in a circular path to the centre of the mixing chamber, then is drawn through a pipe, by means of a vacuum-operated pump mounted over the second chamber, into the centre of the second mixing chamber. The gas now follows a path from the centre outlet, the reverse of that in the first chamber, finally reaching the outlet valve in the venturi tube in practically a dry gas state.

"At that point, the gas is under slight pressure of about one ounce, built up by the pump. Pressure is controlled by a by-pass valve, leading back to the inlet side of the pump.

"The entire device is surrounded by a heating jacket. Exhaust gases taken from the exhaust manifold enter this jacket and create sufficient warmth to assist the vaporization process. The gases are removed from the jacket on the opposite side.

"In operation of the carbureter, air enters the venturi tube in the normal manner. The throttle valve is directly connected to the inlet valve of the secondary vaporization chamber so that, when the throttle is advanced, the sleeve valve permits a proportionately greater amount of dry gas to enter the venturi tube.

No Unvaporized Gas

"The combined gas and air passes down the venturi tube, through a spiral insert which tends to mix them thoroughly. On the rod joining the butterfly throttle valve and the sleeve inlet valve there is a sliding adjustment screw by means of which it is possible to determine the amount of gaseous fumes that are admitted to the venturi tube, in relation to the amount of air that is going through.

"On the compression stroke, the mixture is compressed and fired in the normal manner. When the explosion takes place, the entire contents of the cylinder are consumed at once, and practically no unvaporized liquid gasoline is there to burn. Consequently, the damaging effect of the burning mixture mentioned above in the operation of the ordinary carbureter is avoided.

"Tests of the Pogue carbureter have shown that, apart from the remarkable mileage attained, these damaging conditions in the motor are eliminated to a great degree."

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EXPERIENCED BANKING SERVICE
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DEPOSIT
ACCOUNTS
DENOTE
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HEAD OFFICE MONTREAL
TOTAL ASSETS IN EXCESS OF $800,000,000

New Beer Levy Aids Manitoba And Breweries

Impost of $1.20 a Case on Beer From Other Provinces

Important to investors in western Canadian brewing securities was the sudden announcement this week that Manitoba has imposed a new levy of $1.20 a case or five cents a bottle on beer entering the province from other areas of Canada.

Three reasons lie behind the decision:

To increase provincial revenue.

To improve labor conditions in the Manitoba brewing industry.

To place the industry on a more solid foundation in competition with eastern Canadian breweries.

Claims the new impost is a form of provincial tariff, and consequently ultra vires, are met with the reply that if the new levy is unconstitutional so are similar price restrictions against "imports" of beer into Nova Scotia, British Columbia, Alberta and New Brunswick.

"Manitoba is only doing what four other provinces have already done," was the statement of a prominent western Canadian brewing official, in conversation with The Financial Post. "We have had to compete all summer with beer shipped into the province on an uneconomic basis, and this move may do something to put the industry on its feet."

International Harvester Entertains Young Farmers

Seventy-five members of Boys' and Girls' Farm clubs throughout Canada are looking back today on their visit to Toronto and the Royal Winter Fair. The trip, a reward for achievement in judging contests, included a visit to Hamilton where they were guests of International Harvester Company of Canada.

The trip was made possible in the first place by proceeds from a gift of $20,000 made by International Harvester and held in trust by the minister of agriculture for the furtherance of farm club work.

Dominion Stores Reports Sales Increase of 6.45%

Dominion Stores Ltd. reports an increase of 6.45% in sales for the four weeks ended Nov. 28 over the corresponding period of 1935. In the previous four-week period the increase was 5.49%. Total sales in 1936 to Nov. 28 amounted to $17,776,786, an increase of 9.06%.

Comparative figures follow:

Dominion Store Sales

Four week period ended:	1936 $	1935 $	Incr. %
Jan. 25	1,413,478	1,226,611	15.23
Feb. 22	1,452,088	1,352,553	7.36
Mar. 21	1,513,367	1,417,909	6.73
Apr. 18	1,510,891	1,385,269	9.07
May 16	1,517,152	1,360,939	11.48
June 13	1,463,362	1,350,741	8.34
July 11	1,511,060	1,340,440	12.73
Aug. 8	1,484,725	1,313,861	13.00
Sept. 5	1,467,762	1,290,685	13.71
Oct. 3	1,487,037	1,472,157	1.01
Oct. 31	1,459,935	1,383,929	5.49
Nov. 28	1,495,909	1,405,210	6.45
	17,776,786	16,300,414	9.06

B. C. Power Offers Bonds

From Our Own Correspondent

MONTREAL.—British Columbia Power Corp. is carrying out a refunding operation, which will result in the marketing of $14 millions of first refunding and collateral trust series "A" serial bonds, the proceeds of which will be used to retire the presently outstanding series A and series B first refunding and collateral trust bonds involving the distribution of $13,843,878, exclusive of exchange premiums.

The present financing is divided into three lots: $1.6 million of 3% serial A bonds, $400,000 of which will be retired annually; $1.6 million of 3½% bonds, redeemable at the rate of $400,000 a year from 1942 to 1945; and $10.8 millions of 4½% bonds, due March, 1960.

Offer 4¼% Bonds

A syndicate comprising Nesbitt Thomson and Co., Wood Gundy and Co. and Société de Placements is making a public offering of the 4¼% bonds at 100 and accrued interest, yielding 4.25%.

Listed Bonds

Week Ended Dec. 7, 1936

	Int. rate	Due	High	Low	Range 1936 High	Range 1936 Low
Mtl. L. H. & P. Debs.	3	'39	50⅜	50	51⅛	50
McNish	6	'48	4.00	3.80	4.00	3.00

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a jump ahead
of head colds
AT
CHALFONTE
HADDON
HALL

Come down now and build up for the sniffle season. The tonic sea air on our Ocean Decks, the modern Haddon Hall health baths, and a daily salt tub in your own private bath are all you need. Heartening food. Surprisingly moderate rates.

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ATLANTIC CITY

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ADELAIDE · 6061
207 BAY ST.
ELGIN · 8136

HEAD OFFICE
TORONTO
67 RICHMOND ST. W.
ADELAIDE · 4902

BRANCHES
HAMILTON
IMPERIAL BLDG.
MAIN & HUGHSON STS.
BAKER · 1126-7-8

Pandora
REGISTERED
CIGARS
Cedarap
AGED-IN-CEDAR
PATENTED
CHRISTMAS WRAPPED
10's – 25's AND 50's

News of Investments - - Analyses

Bell 'Phone Station Gain More Marked

Nearly 5,000 Added in October — Trend Slows Down Last Month

TOLL TRAFFIC UP

From Our Own Correspondent

MONTREAL.—Telephone installations on the Bell Telephone Co. of Canada's system during October show an approximate net gain of 5,000 stations. Returns are not available for November, but it is understood the showing may be so favorable as there were signs of a seasonal drop toward the end of the month.

The October gain was fairly evenly distributed over the entire system. The Western area, comprising the larger part of Ontario, accounted for slightly less than half of the total; the Eastern area, Quebec, accounting for the larger increase.

Toll Traffic Higher

Long distance or toll calls showed up well during October, but the trend was a little less favorable than Octobers in recent years. Ordinarily there is an increase in toll traffic from September to October, but this year there was a small decline. However, last October's long distance business was about 7% of October, 1935.

Every month this year toll traffic has been ahead of the corresponding month in the last three years. Cumulative returns are also ahead of 1932, but the first three or four months of that year were ahead of the same period in 1936.

Cumulative Gain Expected

No figures are available to indicate the cumulative gain in telephone installations or toll traffic for the year to date. Last August C. F. Sise, president of the company, stated that to the end of August there had been a net gain of 6,200 telephones over the number reported at the end of 1935. To the end of July revenue from long distance messages was up some $400,000 over the similar period last year.

The net gain in station installations in September was the largest for that month in the history of the company. As October showed a further increase of around 5,000, it is estimated that the net gain in installations for the first 10 months should be somewhere in the neighborhood of 15,000 stations.

Higher Expenses Indicated

Lacking official figures on toll traffic revenue since July, it is difficult to compute any estimate of the cumulative gain to date. However it is reasonable to expect that revenues from this branch of activity in 1936 will be well ahead of 1935.

Offsetting in part the improvement in gross revenue received from station service and long distance messages, is an increase in maintenance expenses and taxes. Prospects are, however, that net profits available for dividends will be larger than in 1935, in which event the company should come close to, if not exceed, dividend requirements of $6 a share.

Fredericton Building

Building permits to the value of $103,270, issued in Fredericton, N.B., for the first 10 months of the year represent the high point since 1931 when the total was $138,395.

Investment Trusts

Rise of Securities Aids Trust Values

Shares of Canadian Management Trusts Offer Interest in Equities Below Market Values With Yields Up to 4.6%

Rising prices for common share equities are reflected in marked appreciation of Canadian investment trust securities this year. As a result of the increased value of their portfolios, many leading investment trusts are winning new attention from investors with limited capital but who desire a degree of diversification in their holdings.

Reduced income and depreciation of portfolio values brought investment trust shares into disfavor during the depression and the financial position of some caused misgivings. After weathering the depression, however, and since 1932 a steady improvement is noted in portfolio positions. This appreciation was particularly marked in 1935 and has continued almost uninterruptedly during the current year.

Canadian investment trusts' gains in income from investments have been slower than rising values of securities held, but recently there has been a tendency for income from investments to move upward at a faster pace. Dividend resumptions and increases are now being reflected in investment trusts incomes, and with a continued improvement in general business conditions it is reasonable to expect further improvement from these sources.

Below Break-up Values

Pronounced interest in investment trusts has not sent prices of their shares out of line with the break-up or book value of trust holdings. It is significant to investors that in most cases the market levels of investment trust securities are still below the break-up value of the portfolios. Since a large part of investment trust portfolios in Canada consist of common stocks, there is scope for further appreciation in these.

Although marketability of some investment trust shares is limited, and others are not listed on recognized stock exchanges, the fact that they are held largely for medium to long term purposes may partly offset the disadvantage of a limited market. From an investment standpoint, management is the most important single factor in appraising an investment trust's possibilities, aside from income and current market value in relation to equities.

Yields from 2.9% to 4.6% are obtainable and earnings in most cases show a comfortable margin of safety between earnings per share and dividends paid. The fact that it is possible to buy a diversified list of securities at a discount through purchasing investment trust shares is, of course, the key to new public interest in this form of investment.

Canadian General

Canadian General Investments Ltd. is one of the leading trusts managed independently. Since there is no security senior to the common shares, these represent a widely diversified group of securities available to the investor at a discount from the break-up which is based on the market value of the portfolio. The trust has an issued capital of 600,589 shares. It is headed by Rt. Hon. Arthur Meighen, K.C., and includes prominent business figures such as C. H. Carlisle, G. Harrison Smith, and E. W. Kneeland among its directors. The trust is subject to the restriction that 50% of its resources must be invested at all times in such securities as are authorized for investment of life insurance funds. Not more than 5% of its resources may be invested in any one security except Government, provincial or municipal obligations or others which are legal for investment of life insurance funds.

Canadian Investors Corp.

Canadian Investors Corp. has common stock only as its capital, with 100,000 shares of no par value outstanding. Its investments are perhaps not so widely diversified as those of some other companies but it has paid dividends of 40 cents a share in each of the last three years and it is the policy of the directors to continue disbursing the greater part of income to shareholders. A marked gain, from $8.24 to $11.14, was shown between 1935 and 1936 in the equity value of the shares, with investments at market value and the appreciation of 35% was achieved without borrowing The trust was sponsored and is now managed by a Toronto investment dealer organization, McLeod, Young, Weir and Co.

Canadian Investment Fund

Canadian Investment Fund shares are available to investors at a price closely approximating the market value of its portfolio securities. Yield is only about 3% but this may improve as recovery progresses since the company's portfolio consists almost entirely of common stocks. Because of this fact the value of the trust's holdings and the market valuation of its stock are likely to reflect rather closely the general trend of business and investment conditions. The directorate is comprised largely of big business names.

Corporate Investors

One of the newer investment trusts, Corporate Investors' shares, have advanced steadily in price since they were issued in 1933, reflecting the upward trend of security markets since that time. The capital consists entirely of common stock which is available at approximately the break-up value of the portfolio. The management is independent and regarded as capable.

Canadian International

Outstanding capital of Canadian International Investment Trust consists of $1,788,500 of 5% bonds, 18,150 5% preferred shares of $100 each and 120,012 common shares of no par value.

The company had not paid a dividend on the preferred since Dec. 1, 1931 until declaration of a $2.50 per share dividend payable Dec. 1 of this year. Non-payment of dividends arises from the policy of conservation rather than from necessity, since the lowest amount earned on the preferred was $2.06 a share in 1933-1934.

Canadian International's policy recently has been investment for capital appreciation but increase in income can be quickly reflected in earnings applicable to the junior securities. It may be noted that more than 70% of the company's investments are in common and preferred stocks, so that possibilities exist for further increases in income and break-up value.

The junior securities are traded in units of one preferred and three common shares.

The trust is of the management type subject to restrictions which cannot be changed without approval of two-thirds of the preferred and common shareholders. At least 50% of its paid-up shares and loan capital must be in investments legal for insurance companies in Canada. It is significant of the trend in investment trusts' portfolios, that the equity of the preferred stock rose from $55,50 at Feb. 28, 1935 to $95.80 per share at Feb. 29, 1936. The management has been associated with investment dealers.

Economic Investment

Outstanding capital of Economic Investment Trust Ltd. consists of $949,500 of 5% collateral trust bonds and 998,125 common shares of $25 par value. The trust has shown consistent improvement in income, dividends and market value in recent months and the market value of its investments rose from $1,435,233 in 1932 to $2,392,404 at March 31, 1936. In common with the general trend, the company has increased its holdings of common stocks which constituted 54.3% of its portfolio at March 31 last. Preferred stocks make up 32.8% of the portfolio and debentures 12.6%. The fact that the trust's dividend record is among the best in Canada reflects the policy of strict adherence to British investment trust methods. Since 1930 earnings per share have never been less than 74 cents a share in any year and for the year ended March 31, 1936 they totalled 97 cents a share from which 87½ cents were paid in dividends. The dividend was the highest since 1932. The management is independent.

Investment Foundation

Improvement in the position of Investment Foundation Ltd. in the last three years has been reflected both in income and the value of its holdings. Capitalization consists of 30,560 6% cumulative convertible preferred of $50 par value and 70,000 common shares of no par value. Preferred dividends have been paid since October, 1930, at the rate of 3%, and quarterly payments have also been made on arrears since Jan., 1933, reducing them to $6.25 a share. Shares are traded in units of one preferred share and one common.

An important factor in the improved outlook for the trust is that preferred shares have been redeemed and cancelled at a profit to the company. The amount outstanding had been reduced from $2 millions to $1,489,500 at March 31, and this not only has the effect of reducing preferred dividend requirements but also increasing the equity behind the common stock.

In a statement accompanying the recent dividend it was officially announced that based on current prices as at Sept. 30, 1936, the cumulative convertible preferred stock of $50 par value had a liquidating value of $56.25 a share and that common stock liquidating value was approximately $11.06 a share, with units $67.31. This was an investment dealer trust.

Dominion-Scottish

Dominion-Scottish Investments Ltd. has $2,985,000 of 5% cumulative preferred stock and 60,000 common shares of $1 par value, traded in units of one preferred and one common share. Dividends on the preferred totalled $1.75 last year and after payments this year to date the shares are in arrears to the extent of $6. The last dividend payment was 25 cents, payable Dec. 1, this year.

Dominion-Scottish retains about 90% of its investments in preferred and common stocks and therefore is among those trusts which stand to benefit from a continued upward curve of the business cycle. When and if arrears on its preferred stock are fully paid, the holder of units would be in a position to secure additional income from earnings accruing to the common. The management is similar to that of Economic Investment Trust.

Management Trust Statistics

Company	Price $	Break-up value $	Earn. per sh. $	Div. $	Yield %
Can. Gen....	10.80	12.50	0.46	0.50	4.6
Can. Inv....	9.15	11.14	0.45	0.40	4.4
Can. Invest. Fund	4.50	4.50	†	0.14	3.1
Corp. Inv....	7.50	7.50	†	0.22	2.9
Can. Inter.‡	80.00	95.80	3.29	2.50	3.1
Economic Investm't.	30.00	35.16	0.97	0.87½	2.9
Investm't Found'n‡	63.00	67.31	2.61	2.50	3.9
Dom. Scot.‡	41.00	46.82	1.87	1.75	4.2

†Earnings not shown as additional stock is being sold.

‡Price per unit of common and preferred.

Mont. Trams Slightly Ahead Of Last Year

Gain in Revenue Will Not Allow Payment to City

COVER DIVIDEND

From Our Own Correspondent

MONTREAL.—Net revenues of Montreal Tramways Co. for 1936, provided there is no unexpected setback in operating conditions or traffic, will be slightly better than reported in 1935; in other words, the income of the tramways commission will not be sufficient to provide for full payments to the company nor will there be enough to pay the annual rental to the city of Montreal, under the terms of the contract made with the city in 1918.

Last year the Commission reported a gross income of over $12.3 millions and after providing operating, maintenance and renewal expenses, a net income of $3,358,792. All of this was turned over to the company under the contract terms, but payments were short by $147,292 of the full amount owing under the contract. The annual rental of $500,000, payable to the city, was discontinued in 1934 as income was insufficient to meet this charge.

Small Gain Recorded

The increase in traffic and earnings for first 11 months of this year has been less than 1% as compared with the corresponding period of 1935. This trend is likely to continue for the balance of the year, provided there is no abnormal upswing in snow-removal and other expenses.

Comparison of the experience of the Montreal Tramways this year with those reported by Toronto and other Canadian cities, indicates that conditions in Montreal are about normal. However tram companies in the United States report a marked pick-up in traffic since the middle of the year, with benefit to earnings.

Records of past years show that there is about six months lag between tram operating conditions in Canadian and American cities. Consequently hopes are held out that with the turn of the year there will be a more definite improvement in the Montreal situation.

There have been no particular developments in connection with either the number of passengers carried or number of miles operated by Montreal Tramways Co. this year. During 1935 the system carried 175 million passengers, while the mileage totalled 25.4 millions. Both these figures are likely to be exceeded in 1936, but the increase will be of a moderate size.

Politics Still a Factor

While many of the other utilities in Quebec have taken advantage of the cheap money market to refund their debt on a lower interest basis, there is no indication of a similar policy being carried out by Montreal Tramways Co. for the time being. The larger part of the company's funded debt of $47 millions carries a 5% coupon. One drawback to public financing at this time is the political situation in Montreal. Although the agitation has quieted down, a number of aldermen on the city council have strongly advocated a revision of the company's contract with the city which calls for a fixed return of 6% on the capital invested. Unless the company voluntarily agrees to a modification of the terms, the contract can be changed only by supplementary legislation as the contract is written into the provincial statutes.

Cover 1936 Dividend

It now appears that the 9% dividend on the company's common stock, par value of $100 for each share, will be covered by a slightly larger margin than in 1935, when there was a surplus of only $4,501 after dividends. The stock is selling around 90 and yielding 9.90%. This relatively low price reflects uncertainty over the political situation and the slim margin by which the dividend has been earned in the last four years.

La Patrie Wants One Bond: No. 399

From Our Own Correspondent

MONTREAL.—Calling Bond No. 399!

J. N. A. Perrault, secretary-treasurer, La Patrie Publishing Co. Ltd., Montreal, has an official notice in a Montreal newspaper to the effect that on January 1 the company will redeem bond No. 399 at 105 and accrued interest. Payment will be made at the head office of the Montreal Trust Co.

Bond No. 399 is the last of the outstanding first mortgage bonds, of which $500,000 were issued in 1923.

Thayers Pays $2.50 a Share

Shows Slight Improvement in Earnings for Nine Months

A dividend of $2.50 a share has been declared on preferred stock of Thayers Ltd., Western Ontario oil distributors, payable Jan. 1, 1937, to shareholders on record Dec. 16. S. E. Prowse, secretary, in a letter to shareholders, states, "We are glad to report that during the current year to date, despite lower prices which the company is receiving for its products, earnings before depreciation and taxes for the nine-month period ending Sept. 30 are in excess of earnings for the same period in 1934 or 1935.

Mr. Prowse reports operating profits for the nine months ended Sept. 30, 1936, of $57,787, compared with $55,435 in the 1935 period, $43,721 in the first three-quarters of 1934 and $82,404 in the first nine months of 1933.

Resumption of Payment

The current dividend payment is the first since the dividend ordinarily due in July, 1936, was deferred. Mr. Prowse states that directors have further decided to examine the surplus account after results of the full year's business are available with a view to considering the dividend situation again.

Mr. Prowse also states: "We understand from statements which have appeared in the press that the larger oil companies are reporting decreased earnings for their Canadian operations due to reduced prices . . . and to cut-rate competition. What the trend of the future will be is difficult to forecast, but we are hopeful of improvement."

Arrears $1 a Share

The preferred shares of $50 each carry annual dividends of $3.50 a share, payable semi-annually. The semi-annual payment of $1.75 a share on July 1, 1936, was deferred. Consequently, payments totalling $3.50 a share would be due Jan. 1, 1937.

Waterproof Clothing Industry

Oiled and waterproof clothing factories in Ontario had a gross production of $601,552 in 1935.

Banking Group Offers Franciscaines Bonds

MONTREAL.—Ernest Savard Ltée., Comptoir National de Placements and Credit Anglo-Francais are making a joint offering of $465,000 short and long term bonds of the Institut des Franciscaines Missionnairies de Marie. The short term bonds carry a 3½% coupon, mature from 1937 to 1943 and have already been sold. The 4% issue, offered at par and accrued interest, is in serial form with $315,800 payable in 1951.

Proceeds of the issue will be used by the Order particularly for expansion of operations in different parts of the world.

The bonds are secured by a first mortgage on the Order's principal building in Montreal, valued at about $500,000, and on buildings at Ste. Anne de Beaupré, valued at another $300,000.

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STETSON HATS

Give a Stetson for Christmas this novel way

For women—for men, this new Stetson gift plan will solve the annual Christmas problem.

Any store featuring Stetson hats for men or Stetsons for women will show you a charming miniature hat box which contains a Gift Certificate entitling the recipient to visit the store and select the style, colour and size of Stetson he or she may choose.

You—the giver of the gift—merely pay the dealer in advance and then present both Christmas box and Certificate as a complete gift.

The styles are world-famous but there is no import premium to pay. Both men's and women's Stetsons are made in Canada and very moderately priced.

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JOHN B. STETSON COMPANY (CANADA) LIMITED
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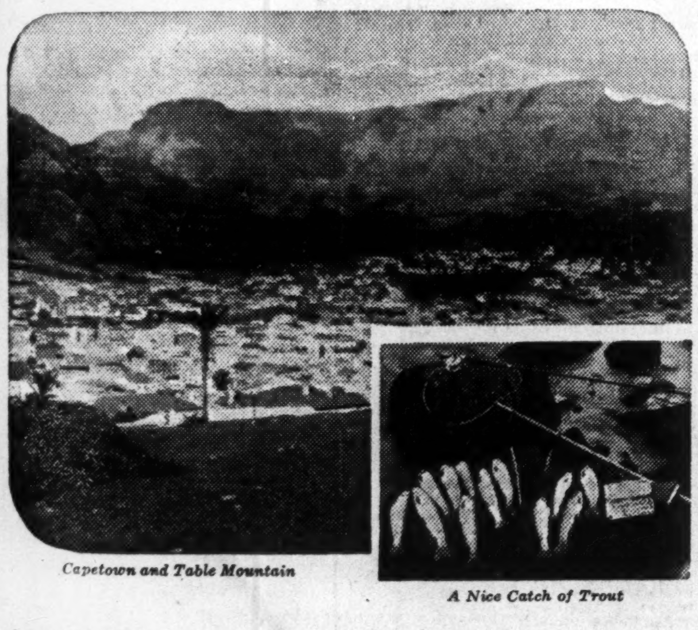


Capetown and Table Mountain

A Nice Catch of Trout

A HAPPY HOLIDAY AWAITS YOU . . . IN SUNNY SOUTH AFRICA

GENIAL sunshine beckons in this land of riotous colour and unique contrast! Here you may trek by ox-waggon over the veld, or fly in great modern liners . . . tour by car, or travel in up-to-date railway comfort through a prosperous country where mystery and romance still live despite modernity.

Here are the fantastic wonders of the Cango Limestone Caves . . . the age-old Zimbabwe Ruins whose riddle man has not yet solved . . . the mighty Victoria Falls . . . the upflung peaks of the Drakensberg in whose shadow lie caves with bushmen paintings—relics of a vanished race . . . the Kruger National Park where Africa's untamed beasts roam in their natural habitat beside frequented motor roads . . . primitive native dances and ancient tribal ceremonies.

Yet you may live in fine hotels . . . play golf . . . ride the surf . . . visit the world's greatest gold and diamond mines . . . and find a new road to health among a people famed for their hospitality.

Plan today to visit South Africa . . . you will enjoy every moment from the time you embark on the luxurious liner that takes you to the Land of Sunshine, until your return, refreshed . . . enriched in health, experience and the joy of living.

Leading travel agencies will gladly show you how easily you may visit South Africa.

THRILLS
OF THE
PRIMITIVE
IN
CIVILIZED
COMFORT

Men of Algoma

IN STEP WITH CANADA'S RAILROADS

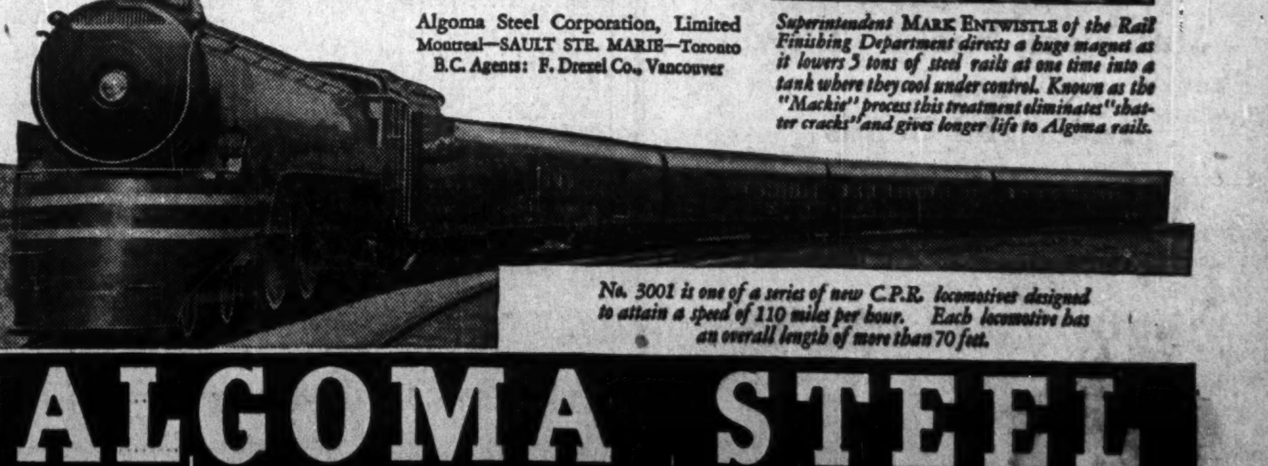
● Guided by TOM JOHNS, Roller, and HARRY WAITE, Manipulator Man, huge steel ingots weighing up to 17,000 lbs. are rolled into locomotive forging billets on Algoma's 35-inch Blooming Mill or with a preliminary rolling begin their passage to the Finishing Mills. Here they are made into rails, rail fastenings, sections for freight and passenger cars, bars and rods for locomotives. Greater comfort, safety and speed in modern travel are due to technical advances in steel production. The "Men of Algoma" have kept pace, discovering and improving methods of manufacturing high quality steels.

A considerable tonnage of Algoma steel was used in the construction of the Canadian Pacific Railway Company's new "3000" series streamlined locomotives.

Matching its record in the production of railroad steel is Algoma's progress in the manufacture of steel for many other products and utilities used by millions of Canadians every day. Some of these are:—automobiles, buildings, bridges, docks, household utilities, machinery and mining equipment.

Superintendent MARK ENTWISTLE of the Rail Finishing Department directs a huge magnet as it lowers 5 tons of steel rails at one time into a tank where they cool under control. Known as the "Mackie" process this treatment eliminates "shatter cracks" and gives longer life to Algoma rails.

Algoma Steel Corporation, Limited
Montreal—SAULT STE. MARIE—Toronto
B.C. Agents: F. Drexel Co., Vancouver



No. 3001 is one of a series of new C.P.R. locomotives designed to attain a speed of 110 miles per hour. Each locomotive has an overall length of more than 70 feet.

ALGOMA STEEL

Investment Trends

Hesitancy Indicated In Stock Fluctuation

Long-term Investors in Common Stocks Will Find Difficulty in Trying for Minor Profits — Long-range Outlook Favorable

Although technical action of stocks has not been regarded as good in recent weeks, prices have been maintained fairly well in the face of recent international disturbances. This is taken to indicate that the reactionary tendency of stocks may be short-lived, but it does not yet appear to have terminated.

Partially deflationary influences face stock markets next year, and appear already to have had an influence on prices. The recent burst of extra dividends will be lacking at the start of 1937, and reduced expenditures and higher taxes of the U. S. Government may be temporarily depressing. Rising wages will tend to increase industrial costs but should eventually be reflected in rising expenditures of the public.

Reports that Scottish investment trusts have been buying stocks in Canada are correct, but they have been buying for some time and there is no sudden rush. The placement of a large block of Loblaw shares has led to increasing interest in Canadian stocks, and a substantial amount of G. Tamblyn stock was sold to British institutional investors. There is reason, too, to believe that much of the Massey-Harris preferred that has been overhanging the market in frozen brokerage and banking accounts has been taken up by British investment companies.

The British viewpoint is that the Aberhart and Hepburn repudiations are not characteristic of Canada and do not alter the prospects for further recovery of income and values in Canadian common shares and other corporation securities. British investors, however, remain cool to Canadian Government bonds.

Borrowings of members of the Toronto Stock Exchange were $40.4 millions at Nov. 30, an increase of $3 millions in the month. They have also been rising in Montreal. This growth of loans is usually regarded as indicative of weakness because it reflects increased shareholdings by the public. The easy credit situation, however, could result in considerable further expansion before it would be serious for the long-term trend of stock prices.

Period of Hesitation

STOCK markets are in a period of hesitation. Analysts of the situation consider that a rise of approximately 5% in market averages would reflect better business prospects for 1937 and would forerun a further rise in market prices. On the other hand, it is suggested that a decline of approximately 5% would augur further recession.

The Montreal Stock Exchange average for industrial stocks shares has fallen away from the record high of 101.2 established last week. The Toronto Stock Exchange average has been well below its high of 162.32 for some time. In New York, the average for industrial shares has lingered around 180 compared with the year's high of 184.8. The most pronounced unfavorable signal in the averages has been weakness of railway shares in the face of improved rail earnings.

Long-term investors in common shares are not necessarily being urged to jettison their holdings. However, for new purchasers, investment adversers are urging caution until the current hesitation is clarified. The feeling remains that the long-term trend of economic recovery will eventually result in higher share prices.

* * *

When to Sell

MANY investors do not seem to be clear on the possibility that the stock market may have a substantial temporary set-back without seriously injuring the position of long-term investments in common shares. Some investors who should regard their common stocks as longer-term holdings think they should sell out every time the stock market reaches a peak, with the idea of buying in at the bottom of a temporary slump. The trouble with this theory is that the investor would be turning himself into a speculator.

The stock market has been in a rising trend, accompanying economic recovery. But interruptions in this trend are certain. To guess just when they will come and just how long they will last is a difficult job for the most astute speculator. It is almost impossible for the investor who is often far removed from the scene of action.

The ordinary holder of common shares would do well to investigate his holdings with the idea of switching out of less promising securities into those that have the best prospects in a period of recovery. But it may be fatal to sell out a whole list of equities with the idea of catching both the peak and the bottom in a temporary movement. It should be more than satisfactory to the investor if he can actually realize the one major profit in recovery before the next depression.

Sir Charles Gordon, president of the Bank of Montreal, remarks on this position of the stock market:

"Notes of warning are beginning to appear from different sources pointing out that the rise in the stock market has been continuous for many months, and to these I would add my own hope that the movement may not continue to a point where we shall witness, even in small degree, a recurrence of those disastrous experiences that preceded the depression from which we are now emerging."

He concludes his address to the bank's shareholders, however, with the comment that "the forces of recovery are once more in the ascendant," and finally expresses the belief that we in Canada will steadily work our way toward better things.

* * *

Gold Inflation

THERE does not seem to be much question in authoritative quarters about whether inflation is coming. Discussion centres rather upon what sort of inflation may develop within the next 10 years.

Inflationary trends based upon the increased valuation of gold in recent years are considered a serious probability by conservative students of international finance. The world's monetary supplies of gold total some $21.8 billions at present values for the metal, compared with about $12 billions before the price of gold was raised. Moreover, the value of gold production was over $1 billion in 1935 at the new valuation compared with $405 millions in 1929 and $524 millions in 1933.

International financial men suggest that this increased stock of gold may in the next few years serve as a base for a much greater expansion of credit than has already been seen. The probable effects would be a boom in securities, rising price levels and business expansion.

Keeping this long-term outlook in mind the genuine investor in equity securities need not pay undue attention to temporary fluctuations and unsettlements which are always present in security markets. Whether the initial direction of inflation is into securities or commodities, or whether it brings only what might be regarded as a return of a normal prosperity, the holder of common shares in profitable, well-managed companies, should be in a position to reap advantage.

* * *

Oils Recover

PRICES for oil shares have strengthened partly because of abating nervousness over the Pogue carbureter, said to allow 200 miles of motoring to a gallon of gasoline, and partly because of the rise of crude prices in the United States. Mid-continent prices will be about $1.35 a barrel from Jan. 4, compared with recent levels of about $1.15 to $1.18. This will boost revenues of B. A. Oil Producing Co. and will also help such producers abroad as International Petroleum Co.

It is noteworthy that holders of oil shares outside Canada have paid little attention to the Pogue development. And, as reported here last week, Canadian oil men have been buyers of oil shares. The comforting idea that now seems to prevail is that if Mr. Pogue is right he will expand the consumption of petroleum fuels immeasurably.

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Industrial Bonds

List of current offerings furnished on request

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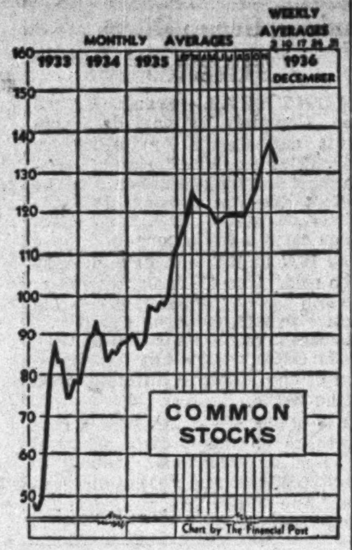
Branches in all the principal cities of Canada



HIGHEST MONTH

Dominion Bureau indices of common stock prices reached a peak, averaging about 137 for November, compared with 110.4 for the 1935 month. December quotations have been slightly lower. Comparative figures appear on this page.

Alcohol to Distribute Oldetyme Corp. Shares

From Our Own Correspondent

MONTREAL.—The greater part of Canadian Industrial Alcohol's shareholdings in Oldetyme Distilleries Corp. will be distributed among shareholders of the company in the ratio of one share of Oldetyme for each five shares of Alcohol. In this way the company will distribute 222,383 shares of the 250,000. Alcohol shareholders will be asked at the special meeting on December 22 to approve the granting of options to officers and employees of the company to buy the balance of Oldetyme stock, 27,617 shares, at a price of not less than $3.90 a share, being the value at which the shares are carried on the books of the company.

Dufferin Paving Offers 75% for "A" Debentures

Dufferin Paving & Crushed Stone Ltd., Toronto, is offering to pay holders of small amounts of the company's class A debentures 75 cents on the dollar for their securities. Delivery and payment may be made through Toronto General Trusts Corp. up to Dec. 20.

The company's letter to debenture holders describes the offer as "a convenience to holders of odd or small amounts." Security dealers quote the debentures about 75 bid, and have been taking odd amounts at that price. It is expected that the company will pay the annual 5% interest on Jan. 2, 1937.

The class A debentures were issued in 1935 under a capital reorganization to holders of former first preferred and common shares. Each $100 of 7% first preferred was settled by issue of $110 of the class A 5% debentures. Each common share was given $10 of the debentures. This caused issue of substantial numbers of $10 certificates. It is believed that the company has purchased considerable amounts of the debentures at a discount, but a financial statement confirming this has not been issued.

No dividends can be paid on the capital stock as long as any class A debentures are outstanding. The class A issue is redeemable at 105 by call. These circumstances lead some investment dealers to suggest that the debentures may eventually be worth higher prices.

It is believed revenues in the last year or two have increased from government contracts.

Twin City Transit Pays $14 in Arrears

Payment of $14 per share on arrears of preferred dividends is to be made by Twin City Rapid Transit Co. on Dec. 24 to shareholders of record Dec. 16. This is the first payment that has been made on the 7% preferred stock since Jan. 2, 1932. Following this payment the stock will be in arrears $19.25 a share.

Payment of $14 at this time reflects improvement in the company's position during the current year. In the first nine months of the year net income, before provision for surtax on undistributed profits, was $446,308, compared with $251,450 in the corresponding period of 1935. Profits in the year ended Dec. 31, 1935, were equivalent to $15.74 a share on the preferred.

An even more important factor contributing to the $14 payment is the new surtax on undistributed profits which has been imposed by the U. S. Government. Except for this tax it is probable that the company would have made a smaller payment and strengthened its working capital.

Oshawa Buildings Pays 1933 Bond Interest

Oshawa Buildings Ltd. will pay on Dec. 15 the interest coupon on its 6½% first mortgage bonds which was due July 1, 1933. Although rental rates have improved slightly, they are still considerably too low to permit earnings sufficient to pay full bond interest. Current accounts are being paid and there are no tax arrears, it is understood.

Lindsay and Co. Sales Increase

From Our Own Correspondent

MONTREAL.—Sales of C. W. Lindsay & Co. for the eight months to the end of October are understood to have been about 20% greater than for the corresponding period of the previous year, while net profits have been on a more favorable basis this year.

The company handles musical instruments and electrical appliances through its own stores and subagencies in Eastern Ontario and Quebec. Its products are usually classified as luxuries and sales have been adversely affected by the depression. Since 1933, however, there has been a steady decline in operating losses, which amounted to only $33,525 in the year ended February 29, 1936. Results for the current year depend very largely upon sales during the current month.

Good Working Capital

At the end of last February C. W. Lindsay showed current liabilities of less than $40,000, compared with current assets of over $844,000. The latter included $508,902 of accounts receivable. The company carries its own installment sales plan on which the loss to date has been negligible.

While interest charges have been paid regularly on the bonded debt, the preferred stock was $19.50 in arrears at the end of last February.

Investment Notes

Canada Dry—R. W. Moore, president, in October acquired another 200 shares, bringing his total holdings to 2,400.

* * *

Dominion Gas—E. M. Butler, treasurer, disposed of all but $2,000 of Dominion Gas & Electric 6½'s in October.

* * *

Walker-G. & W.—H. C. Hatch, chairman of the board, acquired 3,000 common in July and 10,000 in August, bringing his direct holdings at Aug. 31 to 17,513 shares. He also held 22,780 indirectly through a holding company, having added 4,500 shares in this way in July. He disposed of all 3,000 preferred shares and $22,000 of 4½% debentures. Another director, E. D. Gooderham, increased his common holdings from 750 to 1,000 shares and has 500 preferred.

* * *

Teck-Hughes—J. F. Thompson, a New York director, acquired 1,000 shares in October, raising his holdings to 5,417 shares.

* * *

H. Simon and Sons—Business of this company is reported to be appreciably better this year. Demand for cigars has been rising, and it is expected that net earnings for 1936 will be better than in 1935, when 10 cents a share was earned on the common. Marketwise Simon stock has been active, advancing to between 15 and 16 on recent trading.

* * *

Can. Locomotive—Business in 1936 does not seem to warrant the pronounced rise of these shares. But the prospects of eventual business have attracted some impressive buying orders for the stock, which has been thoroughly deflated by capital reorganization.

* * *

Moore Corp.—Stock market expectations that the common dividend would be doubled were partially disappointed in the declaration of 40 cents a share. This was indicated in a slight slip in quotations. Below $45 a share, the yield is now over 3.6% compared with the previous 2.3%.

* * *

B. A. Oil—Some shareholders express disgruntlement over the bonus of 20 cents a share, feeling that it is much too small in view of the company's huge American revenues. The question is raised of what the company will do with the money it is gathering in the U. S. A., and whether it will not suffer from American levies on undistributed profits. It is believed large amounts will be written off for depletion, thus reducing the amount of net revenue subject to the U. S. taxes, but the question of what will be done with the huge American revenues will remain a puzzle unless it is clarified by the company in the annual report or at the annual meeting.

* * *

Asbestos Corp.—Common stock continues to advance and is currently selling around 85. There is no immediate hope of a dividend, despite the reported marked increase in earning power, until the company cleans up the arrears of interest and sinking fund on the bonds. Rather than allow the sinking fund to be a drain on earnings for several years, it is understood that before long the company will borrow money from the banks to call in the general mortgage bonds and thus pave the way for a dividend on the common.

* * *

Dominion Steel & Coal—The B stock is attracting attention speculatively. The report for 1936 is expected to show some improvement in earnings, especially by the subsidiary, Dominion Coal Co. The stock has been bid up to better than 10 on the expectation that possible war orders and a further recovery in business will put some earning power back of the B shares.

* * *

Lake of the Woods—On the report that the British Government was going to build up a reserve of foodstuffs in the event of a war, the common stock of Lake of the Woods was bid to within a fraction of 37. This company does a good export business and any buying by the British Government would undoubtedly be beneficial to the company.

* * *

Winnipeg Electric — Pronounced rise in power output accounts partly for the strength in the common and preferred shares following the recent lull.

* * *

Int. Nickel — Fundamental Investors Inc., New York, doubled its holdings of International Nickel by acquiring 1,000 shares in the quarter ended Sept. 30. Nickel is among the most favored metal shares of American investment trusts, and what selling has taken place has been mostly by trusts whose proportionate holdings and profits in Nickel have been very large.

* * *

Massey-Harris—Part of the recent strength of the preferred stock is attributed to British and American buying orders.

A. J. Robertson, manager of the Niagara Falls district of the Metropolitan Life Insurance Co., has arrived in Toronto to assume management of the company's Toronto district.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Iron and steel 15	Pulp and paper 6	Milling 5	Oils 5	Textiles and clothing 11	Food and allied products 18	Beverages 9	Total industrials 89	Total utilities 23	Total co's. 112
1929-35:*										
High	388.9	113.4	273.4	423.5	113.5	197.8	205.4	317.6	166.0	232.6
Low	39.8	2.8	37.7	83.6	28.0	72.1	28.5	49.3	33.1	40.9
Monthly Figures, 1936:										
January	130.3	18.6	80.0	231.0	75.5	153.6	151.7	187.7	52.4	117.8
February	140.5	20.2	84.3	246.5	74.0	158.7	151.7	200.0	57.0	126.1
March	136.5	18.5	88.7	237.3	73.1	153.0	140.1	194.8	55.5	122.8
April	131.7	17.5	91.0	244.5	71.3	150.7	131.7	194.2	53.2	121.4
May	125.1	16.7	87.3	234.0	68.1	145.7	131.4	187.9	52.5	117.9
June	125.3	17.5	86.5	228.1	67.4	149.2	129.3	189.3	53.3	119.0
July	126.0	18.6	87.0	224.3	66.8	153.9	131.6	190.1	53.8	119.6
August	128.5	18.0	89.9	218.9	68.0	157.1	135.7	191.4	53.1	119.9
September	137.9	20.3	93.9	220.6	70.6	162.5	138.2	200.6	54.8	125.2
October	151.9	21.4	101.9	232.5	73.4	[illegible]	135.6	212.3	59.8	133.4
Weekly Figures, 1936:										
Nov. 5	159.2	24.9	103.9	238.0	74.7	175.2	133.7	218.6	61.8	136.8
Nov. 12	162.0	26.5	105.9	240.5	75.2	179.3	139.2	223.0	62.7	139.4
Nov. 19	169.5	26.6	108.1	243.8	75.6	182.9	140.7	226.1	62.6	140.9
Nov. 26	164.5	28.7	109.9	230.0	73.9	179.3	138.1	217.7	61.1	136.0
Dec. 3	168.7	29.7	110.6	216.5	73.0	180.2	142.7	211.9	61.0	133.2

*High and low of years from 1929 to 1935 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Dec. 8	155.33	143.20	176.11
Dec. 7	154.47	144.28	175.43
Dec. 5	155.29	144.88	177.20
Dec. 4	155.41	145.06	177.94
Dec. 3	155.47	145.70	177.62
Dec. 2	153.40	144.17	175.16
Month ago	159.28	147.00	178.08
Year ago	129.77	119.92	129.56
High, 1936	163.24	150.40	179.96
Low, 1936	125.71	115.97	132.50

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Dec. 8	77.6	98.4	91.4
Dec. 7	77.4	97.4	90.8
Dec. 5	77.5	98.6	91.6
Dec. 4	77.7	99.0	91.9
Dec. 3	77.9	99.9	92.5
Dec. 2	78.6	99.2	91.6
Month ago	80.5	94.0	89.5
Year ago	65.1	66.1	67.1
High, 1936	81.1	101.2	93.7
Low, 1936	67.2	65.5	68.9

Company Reports

Dominion Glass

Dominion Glass Co.'s financial statement for the year ended Sept. 30, 1936, shows practically no change in earning power, but a somewhat stronger liquid position. Operating profits for the past year totalled $688,636, a decline of about $2,200 from 1935. Offsetting this was an increase of about $9,000 in income from investments. After the payment of all charges, including dividends on the capital stock, there was a surplus of $15,988, as against $17,745 in 1935.

Income and Surplus Account
Year Ended Sept. 30

	1936 $	1935 $
Operating profit	688,636	690,846
Other income	33,161	24,234
Less: Taxes	94,341	81,330
Directors fees	11,470	11,432
Executive salaries	31,612	30,625
Legal expenses	345	4,508
Depreciation	173,541	174,940
Net income	410,488	412,245
Less: Pref. divd.	182,000	182,000
Common divd.	212,500	212,500
Surplus	15,988	17,745
Previous surplus	1,135,176	1,117,431
Surplus forward	1,151,164	1,135,176
Working Capital Position		
Current assets	3,271,566	3,334,948
Current liabilities	670,291	656,394
Working capital	2,601,275	2,678,554

Dominion Electric

Dominion Electric Power's consolidated statement shows gross earnings of $375,802 in 1935, subject to final audit, compared with $361,150 in 1934. Operating expenses, maintenance and local taxes increased moderately, leaving net earnings available for interest and depreciation at $161,074, an increase of about $4,000 during the year.

Consolidated Income Account
Years Ended Dec. 31

	1935 $	1934 $
Gross earnings	375,802	361,150
Oper. exps., taxes, etc.	214,728	203,715
Net available for int. & deprec.	161,074	157,435

Sherwin-Williams

An increase of 15.7% in consolidated sales is reflected in earnings of Sherwin-Williams Co. of Canada during the fiscal year ended Aug. 31, 1936, net operating profit amounting to $390,683, an increase of approximately $65,000 over 1935. After meeting all charges, including regular dividend on the preferred stock, there was a surplus of $20,016 for the year. While this was about $3,900 less than in the 1935 fiscal year, distribution on the preferred stock was more than $50,000 greater.

Income and Surplus Account
Year Ended August 31

	1936 $	1935 $
Net operating profit	390,683	324,682
Other income	64,264	64,331
Total revenue	454,948	389,013
Less: Depreciation	46,094	52,118
Taxes	45,000	30,200
Pension fund	19,314	22,038
Directors' fees	3,943	1,200
Legal fees	1,761	927
Executive salaries	76,617	78,955
Net income	262,216	205,575
Less: Pfd. dividends	242,200	181,650
Surplus	20,016	23,925
Previous surplus	3,762,227	3,755,250
Surplus forward	3,782,243	3,779,175
*Adjusted.		
Working Capital Position		
Current assets	4,266,798	4,168,771
Current liabilities	391,948	317,335
Working capital	3,874,850	3,851,436

Bruck Silk

An improving volume of business during the last four months, was not sufficient to offset the loss experienced in the first eight months, with the result that Bruck Silk Mills sales for the year ended Oct. 31, 1936, recorded a decrease of 2.8% in value over the previous fiscal period. Gross trading profit amounted to $301,894, as against $459,104 in 1935. After providing for all charges, including interest on bonds, there was a balance equal to two cents a share as against $1.37 a share in 1935.

Income and Surplus Account
Years Ended Oct. 31

	1936 $	1935 $
Gross trading profit	301,894	459,104
Other income	622	4,689
Total income	302,516	463,793
Less: Selling expense	178,494	173,509
Bond interest	28,919	29,517
Bond disc. amortized	917	2,000
Reserve for taxes	1,397	21,517
Depreciation	90,314	86,937
Net profit	2,475	150,313
Less: Dividends	100,000	150,000
Surplus	*97,525	313
Previous surplus	576,868	624,108
Combined surplus	479,343	624,421
Less: Adjustment	3,619	47,553
Earned surplus	475,724	576,868
*Deficit.		
Working Capital Position		
Current assets	743,406	867,362
Current liabilities	42,395	52,079
Net working capital	701,065	815,283

Silverwood Dairies

Report of Silverwood Dairies Ltd. for the year ended March 28, 1936, is late on account of delays involved in distribution of new securities to shareholders. It does not reflect the refinancing effected this year which has raised working capital above $500,000.

Earnings are reported equivalent to 70 cents a share on the new preferred stock compared with $1.02 in the preceding year. This is more than the cumulative preferred dividend of 40 cents a share, but President A. E. Silverwood says directors will probably want to wait until a full year's operations under the new capitalization have been completed before starting payments. After allowing a full year's dividend of 40 cents a share on the new preferred, earnings were equivalent to 25 cents a share on the new common.

The board of directors is being increased to 11, two members to be elected exclusively by preferred shareholders and the remainder by the combined votes of common and preferred.

Income and Surplus Account

	12 mos. ended Mar. 28 1936 $	12 mos. ended Mar. 30 1935 $
Sales, incl. inter-co. sales	7,348,473	7,164,305
Less: Cost of materials	4,451,138	4,266,011
Prod. wages & direct exps.	1,900,950	1,861,000
Gross profit on sales	996,385	1,037,294
Add: Rentals & other rev.	50,618	66,071
Gross trading profit	1,047,003	1,103,365
Less: Fee, admin. & indir. exp.	572,170	583,453
Net earnings	474,833	519,912
Less: Res. for deprec.	264,142	252,986
Int. on debents & mtges.	55,919	68,958
Amort. of patent license	10,000	10,000
Res. for taxes	43,118	39,607
Net profit	101,654	148,361
Less: Pref. dividends	......	87,405
Divds. pd. to minor shldrs. by subsid.	......	4
Surplus for period	101,654	60,952
Spec. res. prev. prov.	......	65,769
Add: Prev. surplus	1,550	5,155
Less: Adjust. re cap. assets disposed of & sundry adjs.	21,125	67,326
Addit. inc. taxes, prior years	8,235	......
Less: Profit on redempt. pref. shares	8,027	......
Refunds	......	63,000
Surplus forward	81,871	1,550
Working Capital		
Current assets	561,088	538,969
Current liabilities	478,395	576,216
Working capital	82,693	*37,247
*Deficiency.		

Distillers-Seagram

Distillers Corp.-Seagrams financial statement for the quarter ended Oct. 31, 1936, shows an increase of about $5 millions in sales as compared with the corresponding period of 1935, while net profits available for dividends at over $1,859,642 compare with $1,047,136 a year ago. Earnings on the common stock were equal to $1.07 a share, as against 60 cents a share in the third quarter of 1935. No provision has been made, however, for federal surtaxes or undistributed profits or dividends and taxes in respect of the earnings of the company's United States subsidiaries.

Comparative consolidated statement of profit and loss for the quarter, expressed in Canadian currency, follows:

	Three Months End. —October 31— 1936 $	1935 $
Sales, less freight, etc.	18,039,191	13,248,583
Less: Cost	12,643,648	8,973,504
	5,395,542	4,275,078
Misc. inc., etc.	22,535	35,866
	5,418,078	4,310,944
Gen. expenses	2,825,416	2,693,548
Directors' fees	250	250
Executive salaries	76,003	59,272
Legal fees	51,760	71,098
Interest (net)	176,257	58,504
*Depreciation	39,053	28,504
	3,168,740	2,910,808
Balance	2,249,337	1,400,136
Taxes	389,695	353,000
Net profit	1,859,642	1,047,136

*Depreciation provided for the quarter ended October 31, 1936, amounting to $177,490, of which $138,437 has been charged to cost of production and $39,053 as above. Depreciation provided for the quarter ended October 31, 1935, amounting to $118,930.72, of which $90,796 has been charged to cost of production and $28,134 as above.

(The undistributed profits surtax or dividend taxes in respect to the earnings of the United States subsidiary companies for the three months ending October 31, 1936, computed at present rates would be approximately $140,000; no provision has been made in the above statement for these taxes pending the determination of the corporate status of the companies at the end of their fiscal year, July 31, 1937.)

Beatty Bros. Ltd.

William G. Beatty, president of Beatty Bros. Ltd. states in the company's annual report for the year ended Aug. 31, 1936, that business since the close of the financial year has shown substantial improvement and that the outlook is favorable for increased business throughout the 1936-37 year. Mr. Beatty was less positive last year and earnings for 1935-36 are now reported slightly above the preceding year. They are equivalent to 42 cents a share on the class A common, compared with 40 cents a share in 1933-34.

Fixed assets show an increase of over $81,000, due largely to purchase of the Galt plant of Canadian Acme Screw & Gear Co. This acquisition is expected to result in reduction of costs. Offsetting this outlay, the reserve for depreciation shows a net increase of over $33,000.

Increase in the bank loan from $1.2 million to $1.7 million is a reflection of increased inventories necessitated by expanding business. It does not change the net working capital appreciably.

Earnings on the first preferred stock were equivalent to $16.61 a share compared with the dividend of $6. The second preferred earned $16.51 a share and paid $7.

Income and Surplus Account
Years Ended August 31

	1936 $	1935 $
Net oper. profit	319,498	330,699
Less: Magmt. sals. & fees	54,688	54,119
Net earnings	264,810	276,580
Less: Prov. for taxes	37,611	26,000
Depreciation	60,898	84,128
Mortgage int.	236	1,113
Net profit	166,065	165,339
Less: First pref. divds.	60,000	61,708
Second pref. divds.	47,572	47,572
Surplus for year	58,493	56,059
Add: Prev. surplus	1,742,229	1,683,024
Adjust. life insur.	2,160	......
Profit disposal mach.	208	958
Profit disposal house	682	......
Profit red. cl. "A" sh.	......	2,983
Adjust. deprec. res.	15,461	......
Less: Adjust. inc. tax	5,160	330
Life insur. w/d	......	465
Surplus forward	1,814,093	1,742,229
Working Capital		
Current assets	6,470,683	6,027,910
Current liabilities	2,354,662	1,897,492
Working capital	4,116,021	4,130,418

North American Elevator

Restrictions on wheat exports held down earnings of North American Elevator during the year ended April 30, 1936, but income at $129,483 was about $5,000 greater than in the preceding 12 months. After operating and administrative expenses, there was a net revenue of $58,869 available for depreciation and interest. This contrasts with $50,827 in the 1935 year.

Income and Surplus Account
Year Ended April 30

	1936 $	1935 $
Gross income	129,483	124,746
Less: Oper. expenses	52,651	48,494
Admin. expenses	17,963	25,425
Net revenue	58,869	50,827
Less: Depreciation	27,455	27,455
Bank interest	5,265	9,427
Bond interest	27,649	22,741
Loss for year	1,500	8,796
Working Capital Position		
Current assets	49,973	53,475
Current liabilities	21,283	22,337
Working capital	28,690	31,138

Can. Industrial Alcohol

Canadian Industrial Alcohol's financial statement for the year ended Sept. 30, 1936, shows a consolidated gross profit of over $1.1 million; an improvement of nearly $1 million in net working capital; strengthening of the balance sheet; details of major contracts; and official notice of the company's intention to distribute the greater part of the shareholdings in Olde Tyme Distilleries to shareholders. After deducting all prior charges, the income statement shows a net profit of $358,367, as against $227,937 in the previous year.

Income and Surplus Account
Year Ended September 30

	1936 $	1935 $
Gross income	1,100,795	907,454
Less: Bank interest	5,483	63,074
Exec. salaries	78,230	71,135
Directors' fees	3,842	2,574
Legal expenses	32,845	14,473
Maintenance	90,837	93,746
Non-oper. overhead	8,418	10,700
McNish interest	228,898	244,012
U. S. duty claim	62,409	......
Depreciation	162,361	161,618
Taxes	60,000	50,000
Exchange	9,104	31,815
Net profit	358,367	227,937
Working Capital Position		
Current assets	6,691,864	5,341,287
Current liabilities	757,496	353,241
Working capital	5,934,368	4,988,046

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NOTICE TO SHAREHOLDERS

Notice is hereby given that the Directors have declared a partial distribution out of capital surplus at the rate of $1.00 per share in respect of each new share of the par value of $5.00, payable on February 1st, 1937, to registered shareholders of record as of December 29th, 1936.

A ruling has been obtained, that as this payment will be made out of the capital surplus set up as a result of the conversion of the capital, from shares without par value into shares of the par value of $5.00, such payment will be regarded in the hands of recipients as a return of capital, free of tax, under the provisions of the Income War Tax Act of Canada.

The transfer books and registers of the company for the former shares without par value and voting trust certificates in respect of such shares will close on December 29th, 1936. Shareholders and holders of voting trust certificates are urged without delay to exchange their old certificates for the new certificates for shares of the par value of $5.00.

As no distribution may be made in respect of the new fractional shares, holders receiving fractional share certificates must adjust such fractions by purchase or sale prior to December 29th, 1936, in order to participate in the distribution in respect of fractional holdings

By order of the board of directors.
GEORGE W. TWITTEY,
Secretary-treasurer.

Shareholders who have not received circulars with full particulars and transmittal forms, may obtain same from the company or from its Transfer Agents, The Royal Trust Company, 3 St. James's Square, London, 59, Yonge Street, Toronto, Ontario, 626 West Pender Street, Vancouver, B.C.

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Bond Markets

Banks Are Financing Needs of Governments

British Gold Clause Decision is Important to Canada—Windsor Refinancing Decision Expected Soon

Of the various subjects under discussion by the National Finance Committee at Ottawa the one of most interest to bondholders and bond dealers is the effect of the recent gold clause decision of the Court of Appeals of Great Britain on Canadian bonds. This decision upheld the gold clause in an issue of British bonds payable in New York.

This decision has been very disturbing to the finance departments of the various Canadian governments for some weeks, and discussions have already taken place between the various provinces and the Dominion. In most circles it is felt that Canada should pass new legislation to void the gold payment sections of Dominion, provincial, municipal and corporation bonds. None of these could afford to meet their bonded indebtedness in gold.

The decision has had no effect upon the prices of Canadian bonds, but it has held up a certain amount of corporation refunding.

Expectations are that the Ontario Municipal Board will hand down its decision in regard to the Windsor refinancing plan soon. With the municipal elections out of the way there is no reason for further delay.

High grade Dominion and guaranteed issues have eased slightly. Ontario bonds, however, on the strength of further improvement in the financial position of the province, recorded gains up to one point. Trading in western provincial issues continues active and as result prices continue to rise. Alberta issues have advanced as much as four points.

Banks Finance Gov't

EVERYONE is aware that deficits of the Dominion and Provincial Governments in recent years have been large, but few realize the extent to which governments have relied primarily upon the banking system to finance these deficits. This is perhaps the most important aspect of fiscal developments of the depression years.

Since the end of 1929 the total debenture debt of the Dominion and of the provinces has increased by $1,516 millions. In the same period bank holdings of federal and provincial authorities have increased $965 millions. Thus the banks have financed 63.6% of government deficits and capital requirements in the past seven years.

Total new financing by the Dominion and Provincial Governments in 1936 to Dec. 1 amounted to $114 millions. Investments of the chartered banks at Oct. 31 last in Dominion and provincial bonds were $130.6 millions higher than at the first of the year. Dominion Government bonds held by the Bank of Canada at Dec. 2 last were $50.4 millions higher than at the end of 1935. Thus it is evident that the chartered banks and the Bank of Canada, in addition to financing the cash requirements of the senior Governments in Canada during 1936 have purchased an additional $66.7 millions of Dominion and provincial bonds formerly held by other investors.

In the municipal bond field the banks have also been the dominating factor. According to an estimate made by A. E. Ames & Co., the debenture debt of Canadian municipalities showed a decrease of $15.5 millions in the first 11 months of 1936, new issues amounting to $33.3 millions and maturities and redemptions to $48.8 millions. Holdings of Canadian municipal bonds of the chartered banks, however, increased in the 10 months ended Oct. 31, 1936, by $12.8 millions.

Total new capital raised by Canadian corporations during the first 11 months of 1936 is estimated at $36 millions. In the first 10 months of the year corporation bond holdings of the chartered banks increased by $50.6 millions, indicating that the banks not only supplied all the new capital required, but purchased a further $14.6 millions of corporation bonds from other sources.

* * *

Investors Liquidate

IT IS evident, therefore, that the small and private investor has been liquidating high-grade bonds during 1936 and that the strength of the bond market has been entirely due to the support given by large purchases by the banks and other institutional investors. On numerous occasions, The Financial Post has pointed out that the private investor has been liquidating high-grade bonds in order to take a profit, and that yields on new issues were too low to prove attractive.

The extent to which private investors have liquidated their bond holdings is impossible to estimate since information in regard to investments of Canadian life insurance companies is not available. It can be stated, however, that government bond holdings of these companies have increased during the current year.

* * *

New Financing

THE aggregate amount of bond and treasury bill financing in the first 11 months of 1936 for Canadian governments and corporations was $1,164 millions, according to the December letter of A. E. Ames & Co., and of this amount only $135.8 millions was new capital. Thus, while the aggregate amount of financing is larger than usual, the actual amount of new capital raised is smaller than in recent years. In this connection, it is gratifying to note that the amount required for government purposes was only $99.8 millions, which is substantially less than in any recent year.

In commenting upon the sharp increase in corporation issues the letter points out that the ability of corporations to refinance in a receptive market is in decided contrast to the situation prevailing as recently as 1933, when the total corporation bond financing was only $3.3 millions. It is an indication of the return of confidence that more than $229 millions of corporation bonds have been sold in 1936, although the amount of new capital required for expansion purposes is still exceedingly small, amounting to only $36 millions.

The figures for the 11-month period indicate progress in the reduction of government financial requirements and an increase in corporation needs. This tendency is the reverse of the trend since 1930 and, as business improves, it may be expected that additional capital will be required for the replacement and expansion projects of industry.

* * *

Bond Index

THE FINANCIAL POST daily bond index showing trend of the high-grade bond market is given below:

The Financial Post Index of Average Price and Yield of High-Grade Gov't Bonds

1936	Price $	Yield %	1935	Price $	Yield %
Dec. 8	116.42	3.08	Dec. 7	111.36	3.627
Dec. 7	116.36	3.083	Dec. 6	111.61	3.603
Dec. 5	116.32	3.085	Dec. 5	111.61	3.603
Dec. 4	116.32	3.085	Dec. 4	111.61	3.603
Dec. 3	116.29	3.092	Dec. 3	111.61	3.603
Dec. 2	116.29	3.092	Dec. 2	111.59	3.604
Year's	117.91	2.966	Year's	114.97	3.367
Range	111.50	3.597	Range	106.57	4.097

McNish to Refund Debenture Stock

Canadian Industrial Alcohol Submits Plan for Redemption

From Our Own Correspondent

MONTREAL. — Refunding by Robert McNish & Co., subsidiary of Canadian Industrial Alcohol, of its outstanding 20-year 6% debenture stock at a lower rate of interest is set forth in a plan which will be voted on by Alcohol's shareholders at a special meeting to be called on Dec. 22.

At present there are $3,815,345 of McNish debentures outstanding, on which the 6% interest has been paid for some time by Canadian Industrial Alcohol. The debentures, which are of $5 par value each, were issued in September, 1927, at $4.50 each to shareholders of Alcohol.

Cash and Stock

The plan provides for delivery to the holders of each debenture: $3.50 principal amount of unsecured 5% redeemable debentures of Alcohol; $1 in cash, plus a scrip certificate entitling the holder to 50 cents and interest at 5%, dated November 1, 1936, and payable on the same date in 1937.

Under this scheme Canadian Industrial Alcohol will issue $2,650,742 principal amount of debentures, on which annual interest requirements will amount to $132,537, or about $100,000 less than at present; $763,069 in cash; scrip to the value of $381,534, and interest thereon totalling $19,077.

The securities and cash to be distributed will about equal in principal the value of the existing debentures.

Conditions of Redemption

As a condition of Canadian Industrial Alcohol agreeing to this arrangement, McNish debenture holders will be required to consent to the proposed reduction in Alcohol's capital in order to permit the distribution of Oldetyme Distillers shares. Further Alcohol will be given notes of the McNish company equal to the outstanding debenture stock of the company, including the amount now held by the parent company, dated November 15, 1936, maturing November 15, 1948, and bearing interest at 5% annually, payable only out of the net income of the McNish company.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Hyd.-Elec. Pr. Ont.	3½-5%	1952	Apr.1'37	100
Riordon Pulp	†6%	1942	Dec. 31	105
Mississippi River	*5%	1951	Jan. 1	105
Avon River, A	5½%	1956	Jan. 1	103
Do., B	5½%	1957	Jan. 1	103
Do., C	5½%	1958	Jan. 1	103
Can. Bread	▲6%	1941	Feb. 1	110
Hospital of Infant Jesus, Que.	...	*	Feb. 1	101
New Eng. Power	5%	1951	Jan. 1	105
Indust. Accept. A	6%	1940	Jan. 25	105
Col. Steamships	†6%	1941	Jan. 1	100
Confed. Amuse. A	6½%	1951	Feb. 1	102
Tor. Harbor C.	4½%	1955	Mar. 1	105
Can. Crushed Stones	6½%	1944	Dec. 18	...
Reliance Gr., A	6%	1948	Jan. 2	105

For sinking fund: ‡$81,000. ▲$100,000. *$155,000. *Maturing from Aug., 1937, to 1956. †$33,000. ▪Tenders called for $16,300.

Stock Issues:	Rate	Stock	Date	Price
Stanfields	6%	Pref.	Dec. 15	42

Bond Tenders

5 p.m., Dec. 14, Buckingham, Que.—$50,000, dated Nov. 1, 1936; 3½% until Nov. 1, 1946; 4% from 1946 to 1956. H. J. Gorman, sec.-treas.

4 p.m., Dec. 14, Three Rivers—$169,400, 3½% or 4%, dated Nov. 1, 1936, redeemable serially to 30 years. Jacques Denechaud, treas. (See announcement on page 5).

3 p.m., Dec. 14, Kitchener—$132,000 as follows: $72,000, 3% 20-ins.; $60,000, 2½% 5-ins. bonds, dated Nov. 1, 1936. L. M. Dahmer, treas.

Speeding Up Housing Loans

From Our Own Correspondent

OTTAWA.—A much larger number of small loans under the Dominion Housing Act has been approved in recent weeks as a result of the changes agreed to in the September conference between lending companies and the Government, The Financial Post is informed. The Dominion Government agreed to assume a larger share of potential losses, and to pay for some of the charges in the case of small loans in outlying districts. As a result the lending companies have expressed a willingness to service loans in many smaller centres where they had previously declined to act.

Up to Dec. 1, the total number of loans approved has been 648, and the sum involved is $4,521,328.

Asks Enquiry Into Old Trust

Ontario Seeks Probe of Can. Gen. Investment Trust Ltd.

Investment practices of Canadian General Investment Trust Ltd., now a part of Canadian General Investments Ltd., and headed by Rt. Hon. Arthur Meighen, will be investigated by inspectors appointed under the Dominion Companies Act if the Dominion Secretary of State accedes to the requests of Ontario's Attorney-General A. W. Roebuck. The Attorney-General has applied for the investigation.

Offshoot of political oratory in the East Hastings (Ont.) by-election, charges of mismanagement of the company in 1931 were made this week by Premier Mitchell Hepburn. He alleged that Col. George Drew, Ontario Security Commissioner under the former Conservative régime, had refused to investigate the charges at the time, and, following denials by both Col. Drew and Mr. Meighen, Mr. Roebuck stepped into the dispute with the announcement that he would ask for an investigation under the Companies Act.

Mr. Roebuck announced:

"Statements and counterstatements with regard to the management of the Canadian General Investment Trust Ltd., alleging irregularities in the management have become so serious I have decided to call the matter to the attention of the Secretary of State for Canada, with the request that he order an investigation such as is provided in the Dominion Companies Act."

Basis of the move is said to be a petition signed in 1931 by Sir Percy Lake and nine other shareholders in the then Canadian General Investment Trust Ltd., alleging mismanagement.

New action in the matter, under the Dominion Companies Act is forecast by Mr. Roebuck's announcement this week. Section 108 of the Act provides that the Secretary of State may appoint inspectors to investigate the affairs of a company on the application of shareholders holding such proportion of shares as the Secretary of State believes sufficient to warrant an investigation. The Act gives power to examine books, examine officials under oath and make other enquiries, costs of which may be charged to either the applicants or the company. The Canadian General Investment Trust was incorporated in Dec., 1926, under the Dominion Companies Act. Its assets later passed to Can. General Investments Ltd., an Ontario company.

Ault and Wiborg Sells Preference

Printing Ink Supply House Places $550,000 of Stock on Market

MONTREAL. — Royal Securities Corp. is making a public offering of $550,000 of Ault & Wiborg Proprietary Ltd. 5½% cumulative redeemable sinking fund preference shares at par and accrued dividend.

Ault & Wiborg is a holding company for a company of similar name manufacturing and selling inks and other supplies to the printing and allied trades. The Canadian subsidiary also owns Aulcraft Paints Ltd. Further the parent company controls manufacturing companies in the Philippines and South Africa.

Particulars of the issue follow:

$550,000
AULT & WIBORG PROPRIETARY
5½% Cum. Red. S.F. Preference

Principal and interest payable in Canadian funds only.

Capital:	Authorized	Issued
5% preference shares	$1,750,000	$550,000
Com. shares, n.p.v.	100,000 sh.	45,000 sh.

Company—Holding company for subsidiaries manufacturing printing inks, etc., in Canada, Philippines and South Africa. A substantial interest in company is held by International Printing Ink Corp. Company has right to use all patents and inventions of American company.

Assets—Totalled $1,068,528 as at Nov. 2, 1936. Current assets amounted to $601,686 as against current liabilities of $94,877.

Earnings—Total income for 10 months to Nov. 2, 1936, estimated as $175,080. Net profit available for dividends $136,396. Average consolidated net profits for the 10 fiscal years ended Dec. 28, 1935, $132,612, as against annual dividend requirements of $30,250 on 5,500 shares to be outstanding on completion of present financing.

Sinking Fund—On May 1 of each year, commencing 1938, company will set aside 15% of net profits for redemption of preferred.

Redemption—Redeemable at $104 up to Nov. 1, 1939; $103 thereafter.

Dividends—Dividends on the common stock are restricted.

Offer—Royal Securities Corp. at 100 and accrued dividend.

Loretto Abbey Offers $618,000 of 4% Bonds

Harris, Mackeen, Goss & Co. is offering $618,000 of 4% first mortgage bonds of Loretto Ladies Colleges and Schools. The bonds are dated April 1, 1936, and are due 1937-51. The offering price is 100 plus accrued interest.

Proceeds of the issue will be used to redeem the balance of $750,000 of 5% first mortgage bonds issued in 1927. The 5% bonds were called for redemption Oct 1, 1936. The new bonds are callable at 101.

C.S.L. Capital Revision Reduces Debt Charges

Security Holders Meet Next Month to Vote on Proposal

PAY OWN WAY

From Our Own Correspondent

MONTREAL. — Official notices have been sent out by Canada Steamship Lines calling meetings of bond and stockholders for the purpose of considering a plan of reorganization. All meetings will be held Jan. 21, the preferred and common shareholders' meeting in the morning and the bondholders in the afternoon.

The plan provides for redemption on Aug. 15, 1937, of all outstanding 5% consolidated first mortgage debenture stock amounting to $2,153,475. This operation will be effected out of the company's own resources and without recourse to bank loans or additional financing.

Form of Settlement

Claims of the holders of the existing first and general mortgage bonds will be looked after through the issuance of $600 principal amount of bonds, series A 5%; 13 1/10 new preference shares of the par value of $50 each and three new common shares of no par value for each $1,000 principal amount of existing bonds.

For each share of existing preference stock, the holder will be given 1¼ shares new common of no par value.

Holders of the existing common stock will be given one-half common share, no par value, for each one existing common share.

Under the plan the paid-up share capital of the company will be reduced from $18,084,523 to $14,854,000 by the elimination of the company's total deficit as of Dec. 31, 1936, the readjustment of its capital structure and the revaluation of certain of its fixed assets.

The present capitalization of Canada Steamship Lines follows:

Present Capitalization	
5% debentures	$ 2,153,475
6% first and general bonds	17,500,000
6% preference	15,000,000
Common, n.p.v.	120,000 sh.

Proposed Capitalization	
5% debentures*	$ 2,153,475
5% new bonds, series A	10,500,000
5% preference	11,462,500
Common shares, n.p.v.	300,000 sh.

*Will be retired on Aug. 15, 1937, out of company's own resources.

Consequent upon the write-down of assets the present annual depreciation charge will be reduced by about one third, or $500,000.

Distribution of Common

This revaluation of assets together with the elimination of accumulated deficits will result in a book equity of nearly $3.4 millions to be represented by 300,000 shares of new common stock which will be distributed among the security holders as follows:

Issued to:	No. of Shares
Bondholders	52,500
Preferred stockholders	187,500
Common stockhohlders	60,000

Rights of Securities

The plan sets forth that the principal and interest on the new bonds will be payable in Canadian funds only, maturing Jan. 2, 1957. First interest payment on the new bonds takes place on July 2, 1937. The issue is callable in whole or in part on 30 days notice at 105 and accrued dividends up to July 2, 1940; 104 for the following four years; 103 for the following four years up to 1948, 102 from 1948 to 1952; 101 from 1952 to maturity.

The new preference stock is entitled to cumulative dividends, after 1942. Up to that time dividends will be non-cumulative, but payable if earned.

Montreal Stock Sales Well Ahead of Last Year

From Our Own Correspondent

MONTREAL.—Sales on the Montreal Stock Exchange and Montreal Curb Markets in November totalled 9.9 million shares as against 6.1 million shares in the previous month, and with 2.4 million shares in Nov., 1935.

Turnover of industrial shares totalled 2.4 million shares last month, as compared with 1.2 million shares in November a year ago. The volume of mining stocks was sharply higher with a total of 7.5 million shares traded, as against 1.2 million shares a year ago.

$4 for Fuel

United Fuel Investments Has $181,221 Jump In Earnings

It appears probable United Fuel Investments will be able to show earnings of over $4 a share on the preferred stock in the year running to March 31, 1937.

The company and its subsidiaries had earnings of $221,404, after all charges but before income tax, in the seven months ended Oct. 31, 1936. This is an increase of $181,221 over the earnings of $40,183 for the same period in 1935.

Earnings Calculation

The management estimates there will be no further substantial increase in earnings in the remaining five months of the fiscal year.

If earnings for the remaining months are the same as in the year ended March 31, 1936, the final profit would be slightly over $450,000 available for income taxes and dividends. The Financial Post calculates. After allowing for income tax, this would be equivalent to considerably more than $4 a share on the preferred stock compared with $2.49 a share last year.

Reason for Gains

The improved earnings for the first seven months are attributed to improved conditions in marketing coke and also to reduced interest charges resulting from recent refinancing of bonds of one subsidiary, Hamilton By-Product Coke Ovens Ltd.

Directors of the company are continuing study of several plans of reorganization. President S. A. Morse stated in the last annual report that directors would submit a reorganization plan to shareholders before Jan. 1, 1937.

Working capital of the combined companies was $1.4 million at Oct. 31, 1936, compared with $1,267,000 at March 31, 1936.

S. Canada Power Plans New Bonds

By-law Creates $50 Millions Issue — Sell as Market Warrants

From Our Own Correspondent

MONTREAL. — Shareholders of Southern Canada Power Co. will vote Dec. 18 on a by-law approving creation of an issue of $50 millions of first mortgage bonds, as enacted by the directors at a meeting of the board on Nov. 27.

The passing of the by-law does not necessarily entail immediate refunding operations. The shareholders are asked to give the board the necessary authority, in order that the present bonds may be replaced with a new issue whenever the directors deem it advisable to do so.

Southern Canada Power at present has an authorized bond issue totalling $50 millions, of which $6 millions is issued and outstanding in the form of 5% first mortgage bonds, series A, due 1965. As interest is payable in any of three currencies at the discretion of the holder, this has entailed considerable additional expense in recent years. The bonds are callable on any interest date on 60 days' notice at 102½ and accrued interest.

Distillers Corp.-Seagrams Stock Listed in Montreal

From Our Own Correspondent

MONTREAL.—Preferred stock of Distillers Corp.-Seagrams, Limited, has been called for trading by the Montreal Stock Exchange. The committee has also approved the listing of 180,000 additional shares of common stock, to be called for trading upon notice of issuance. The listing covers 150,000 shares of cumulative preferred stock 5% series, with a par value of $100, out of a total authorized issue of 200,000 shares.

Upward Trend Opportunity—

In rising markets, judgment and experience are needed if maximum profits are to be gained.

You are invited to consult our Investment Service Department.

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330 Bay Street, Toronto, Ont.

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SHERIFF'S SALE

County of Dufferin, to Wit:

By virtue of Fieri Facias issued out of His Majesty's Exchequer Court of Canada and to be directed at the Suit of the Attorney-General of Canada and against the Goods and Chattels of The Cooke Cigar Co. I have seized as belonging to the said Cooke Cigar Co.

Approximately 310 lbs. Imported Tobacco Leaf (In Customs Bond). Approximately 1,000 lbs. Domestic Tobacco Leaf. 20 Cigar Making Machines and other equipment, etc.

All of which property I will offer for Sale by Auction to Licensed Buyers, on Friday, December 18th, 1936, at 2 p.m. o'clock, on the premises, Broadway St., Orangeville.

Terms of Sale Cash

Sheriff's Office,
Orangeville.

THOMAS KERR SLACK,
Sheriff County of Dufferin.

Municipal Finances

Bourget Twp., Que., School corporation, has been authorized by the Quebec Municipal Commission to pay interest coupons of July 1, 1935.

* * *

Verdun, Que., expects to have a substantial surplus on 1936 operations. This is largely due to efforts put forward to improve tax collections. Since the beginning of the year 65% of the arrears have been collected out of a total of $470,000 for the years 1933, 1934 and 1935. About 75% of the current year's levy has been collected.

* * *

Winnipeg, Man., faces an inevitable increase in taxation in 1937 unless steps are taken by the city council to reduce expenditures and balance its budget on a cash basis. This conclusion is reached by the Winnipeg Board of Trade in a statement analyzing a report of H. C. Thompson, city treasurer, on the condition of city finances.

St. Simeon, Que., has been authorized by the Quebec Municipal Commission to pay interest coupons of Dec. 1, 1936.

Public Utility Earnings

Jamaica Public Service

	1936 $	1935 $
October:		
Gross earnings	70,242	70,105
Net earnings	25,006	26,538
Surplus after charges	16,448	17,902
12 Months End. Oct. 31:		
Gross earnings	875,419	854,296
Net earnings	345,583	348,109
Surplus after charges	241,738	244,755

British Columbia Power

	1936 $	1935 $
October		
Gross earnings	1,204,892	1,124,654
Operating expenses	669,621	602,458
Net earnings	535,271	522,196
Four Mos. End. Oct. 31		
Gross earnings	4,809,971	4,457,728
Operating expenses	2,732,981	2,453,992
Net earnings	2,076,990	2,003,736

East Kootenay Power

	1936 $	1935 $
October		
Gross earnings	42,008	37,916
Operating expenses	13,144	12,107
Net earnings	28,864	25,809
Seven Months End. Oct. 31		
Gross earnings	270,455	259,046
Operating expenses	84,955	79,096
Net earnings	185,500	179,950

Canadian National Railways

	1936 $	1935 $
October—		
Operating revenue	18,786,278	17,823,839
Operating expense	15,147,759	14,195,774
Net revenue	3,638,519	3,628,065
10 Mos. End. Oct. 31—		
Operating revenue	153,234,590	142,922,914
Operating expense	143,390,610	133,160,289
Net revenue	9,843,980	9,762,625

Canadian Pacific Railway

	1936 $	1935 $
October—		
Gross earnings	14,249,421	14,198,208
Working expenses	9,846,238	9,948,856
Net profit	4,403,183	4,249,343
10 Mos. End. Oct. 31—		
Gross earnings	114,193,000	106,238,631
Working expenses	97,962,349	90,602,529
Net profit	16,230,651	15,636,101

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CANADA,
PROVINCE OF QUEBEC,
DISTRICT OF THREE RIVERS

CITY OF THREE RIVERS

Loan of $169,400.00

PUBLIC NOTICE is hereby given that the Council of the City of Three Rivers will receive until the fourteenth day of December, 1936, at four o'clock P.M., at the office of the undersigned, written sealed tenders, endorsed "Tender for the City of Three Rivers Bonds," for the purchase of said City of Three Rivers Bonds, amounting to One Hundred and Sixty-Nine Thousand and Four Hundred Dollars ($169,400.00), issued under By-Laws Nos. 116, 117, 118, 120, 121 and 122 duly approved according to law and dated 1st November, 1936, and redeemable by series of annual payments, during thirty years from their date.

The above bonds will bear interest at the rate of 3½% or 4% per annum, payable semi-annually, on the 1st of May and the 1st of November of each year. Both the principal of these bonds and the interest thereon will be payable at the holder's option, at the chief office of the Banque Canadienne Nationale, in the City of Montreal, or at any of the branches of the said bank, in the City of Three Rivers, or in the City of Montreal, or in the City of Quebec.

The Bonds will be issued in denominations of $100.00 or multiples of $100.00 at the purchaser's option.

Separate prices will be considered for bonds bearing interest at the rates of 3½% or 4% per annum.

The said tenders will be considered at the meeting of the Council of the City of Three Rivers, the 14th of December, 1936, at eight o'clock P.M., or so soon thereafter as the Council or its Committee can do so.

Each tender must be accompanied by a certified cheque from a chartered bank of Canada payable to the order of the City of Three Rivers, equal to 1% of the par value of the Issue. The cheque of the tenderer whose offer is accepted shall be handed to him after the completion of his contract without interest.

The accrued interest on the bonds must be added to the price of the bonds at the time of their delivery.

The City of Three Rivers reserves the right to reject any or all of the tenders or to accept in whole or in part any of the tenders.

Particulars of the issue and table of maturities of the bonds may be secured on application to the undersigned.

JACQUES DENECHAUD,
Treasurer of the City of Three Rivers.

City Hall, Three Rivers, P.Q., 28th November, 1936.

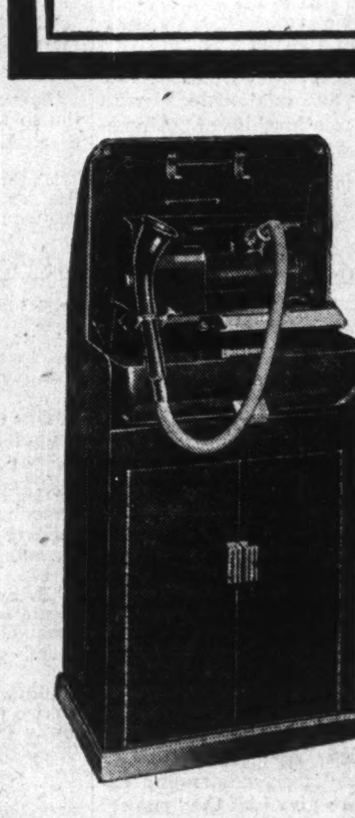
Public Utility Earnings
Canada Northern Power

	1936 $	1935 $
October—		
Gross revenue	386,842	379,446
Operating expense	152,197	146,555
Net earnings	234,645	232,891
10 Mos. End. Oct. 31—		
Gross revenue	3,757,488	3,651,904
Operating expense	1,435,628	1,386,161
Net earnings	2,321,860	2,265,743

Mexican Light & Power

	1936 $	1935 $	Increase $
October			
Gross earns.	712,057	682,243	29,814
Oper. exps.	540,706	473,017	67,689
Net earns.	171,351	209,225	*37,874
Ten Months Ended Oct. 31:			
Gross earns.	6,560,772	6,449,133	111,639
Oper. exps.	4,778,365	4,610,405	167,960
Net earns.	1,782,407	1,838,728	*56,321

On a basis of RESULTS



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TORONTO, DECEMBER 12, 1936

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

We Need Skilled Workers

RELIEF rolls have declined, but the number of men in Canada who apparently cannot find jobs is still in six figures. At the same time, there is a positive shortage of skilled workers, trained to do specific factory and construction jobs. It is not suggested that, if all the workless had been trained to trades, they could be placed at once. But it is suggested that there is a serious anomaly in maintaining large numbers of men on relief when our reawakening specialized industries are having difficulty in finding workers able to produce the goods they can sell.

Canada has spent so much money during the post-war years on technical schools that it is hard to understand why the shortage of workers exists. H. W. MacDonnell, secretary of the Industrial Relations Department of the Canadian Manufacturers' Association feels that employers have not sufficiently recognized the character of the training which technical school graduates have had. He says in "Industrial Canada" that if employers came to realize the industrial value of technical training, and asked for technical school graduates instead of "fellows with matriculation," the effect on the technical schools would be immediate and beneficial.

At the same time, Mr. MacDonnell urges further practical training of workers within industry itself. He points to the need for apprenticeship system in Canadian industry.

Some time ago the Canadian Manufacturers' Association made a survey of apprenticeship in Canadian industry, but has not published any full analysis of its findings, which is unfortunate.

Apprenticeship is one of the problems that has engaged the attention of the National Employment Commission, and we may expect that body to provide some constructive ideas within the near future, looking to the establishment of plans for training the skilled workers that Canada requires today and will require in years to come. The problem is intimately associated with that of providing opportunity for youth. The National Employment Commission has a Youth Committee but its preliminary report seems, at the time of writing, to be lost somewhere in departmental offices at Ottawa.

Governments' First Mortgage

ON ONE year's sales volume of some $7,348,000, net profits of $101,654 for shareholders are shown by Silverwood Dairies Ltd. This amounts to only 1.38% of the sales volume, compared with 2.07% in 1935 and 1.57% in 1934.

President A. E. Silverwood points out that the company pays 8% sales tax on practically every product used in the business, and then pays income tax as well. All told, including sales tax on ice cream, the tax on sugar and other levies, Mr. Silverwood estimates that the contributions to governments exceed the earnings for shareholders whose investment is over $4 millions.

These taxes are levied on foods and other necessities of life and are a heavy burden on consumers of these essentials as well as on business and on the investing public. As to luxuries, special taxes on cosmetics, for instance, in addition to the increased sales taxes and income taxes, have made it difficult for firms in these businesses to regain their former earning power despite economic recovery.

Governments of Canada have a prior lien on the business, the investments and on the incomes of the people. Taxes represent preferred claims on earnings, and take more out of many businesses than the net earnings that remain on capital of millions. The Government's preferred claims thus constitute a huge concealed first mortgage on every enterprise in this country. The pity of it is that increased Government incomes are not bringing much progress toward reducing the burden on business and on the people.

Mr. Roebuck as Investor and Prober

THERE is an old saying that people who live in glass houses shouldn't throw stones. It may be applicable to Ontario's attorney-general, Hon. A. W. Roebuck, in connection with his proposal of an investigation of Canadian General Investment Trust. Mr. Roebuck says he has decided to call the matter of the management of the trust to the attention of the Secretary of State, with a request that he order an investigation such as is provided in the Dominion Companies Act.

Mr. Roebuck made his statement in the midst of a heated by-election campaign which suggests that his objectives are political. He is aiming at Rt. Hon. Arthur Meighen, president of Canadian General Investments, but also Conservative leader in the Senate. And another object is to embarrass Lieut.-Col. George A. Drew, formerly Ontario Securities Commissioner, but now campaign manager for the Conservative opposition in Ontario.

If Mr. Roebuck really had the interests of investors at heart, one of the first things he would do would be to scrutinize carefully the Dominion Companies Act, to which he refers, and then to revise the gravely inadequate Ontario Companies Act accordingly. He would see to it that Ontario laws were such as to entitle investors to enforce in the courts their rights at least to audited annual reports from every Ontario public company. And if he really had any desire to protect investors he would not have been one of the arch repudiators of Ontario's Hydro contracts. This repudiation cost investors millions of dollars.

If Mr. Roebuck is looking for an investment trust to report upon we call his attention to National Research Investments Ltd., outgrowth of Diversified Investment Trust, of which Mr. Roebuck was president. The Financial Post itself refrains from comment on this company since a suit against Mr. Roebuck for damages in connection with this organization is still before the courts.

A Japanese in Canada

RECENTLY there was held in Toronto a memorial service to a Japanese businessman, a most unusual event, it must be admitted.

A group of leading business-men met to pay tribute to the memory of S. Ubukata who had done business in Canada for a generation and who in that time made a remarkable contribution in his own particular sphere.

Mr. Ubukata, who died a few weeks ago, was a Japanese of high birth and attainments. He came to Canada in 1894 as manager of one of the pioneer silk importing firms in Canada. In 1909 he formed his own company, Silks, Ltd., later branching into a wide variety of business connections including a large silk hosiery manufacturing concern, Weldrest Hosiery Ltd., which ranks among the largest in Canada.

Some years ago he returned to Japan to look after wide interests there which included the agency in that country for the Chevrolet car, and large bicycle and tire manufacturing establishments. He continued to make regular visits to Canada.

The memory Mr. Ubukata leaves in Canada is not only that of constructive, farsighted business leader but that of a man with unusually broad sympathies.

To use the words of one of his competitors:

> "As a businessman he won for himself a high place in the community not only for his unusual ability but because of the standards he maintained in all his business relationships. His code of ethics left no room for anything that was unfair or unworthy. What he believed to be right he did without regard to the cost to himself. His contracts were never repudiated. His principles were a part of the man himself and could not be thrown overboard. His wealth and his business were a sacred trust."

Much has been said and written of late about Canada's trade relationships with Japan and about the relationships of businessmen generally to themselves and to governments. The late Mr. Ubukata, who among other things founded a substantial fund for the education of Japanese students in Canada, is a striking example of the influence toward better living and better business both in our own country and internationally, that can be extended by a high-minded and high-principled personality.

The Public Is a Partner

BUSINESS for profit is a fundamental principle of our economic system. The natural corollary is the responsibility of private capital to the public. The indifferent attitude of the old line business leaders is archaic; today business recognizes the public as a partner. This is as it should be.

Through tariff protection, the public has made it possible for many industries to operate in competition with foreign manufacturers, who, without restriction, might make unprofitable the employment of private capital in domestic industries.

The textile industry is an outstanding example of the assistance given by the "public" through tariff protection to a manufacturing activity, which, under ordinary circumstances might have extreme difficulty in holding its own against foreign trade. This industry is not indigenous but, in part by the tariff, has built an important and necessary place for itself in the country's economic life. Regular employment is provided for thousands of workers, while capital has been usefully used. At times there has been criticism of the tariff aid, but, on assurance of the industry's leaders that such protection was essential, the public, through Parliament—has shown its goodwill by continuing the tariff. That is one reason why it is unfortunate that Canadian Cottons Ltd. took advantage of the situation to set up an inventory reserve fund, not for the legitimate purpose of protecting the company and its workers against fluctuations in the value of materials, but to conceal profits from the public.

The disclosure of this information has brought about a demand to penalize the whole industry for lack of good faith. Papers like the Winnipeg Free Press are ready to slay the textile industry in toto. Not one, but all the companies, may suffer. That is the penalty that extremists would impose upon all companies when one or all do not play the game.

However, it is only fair to say that, despite stupidities which may have been revealed by the textile enquiry, the industry, as an industry, does require some measure of protection, and will return good value to the country in return for a reasonable tariff. What is a "reasonable" tariff is for experts to say The consumer, the workers, the investors, all have a right to be considered. The public reaction to the textile disclosures should convince business that it pays—and pays well—to keep faith with the public.

Editorials in Brief

Crystal Palace, ugly and dreary, has burned down, but Toronto's City Hall still stands.

• • •

Is Social Credit blind to color as well as to reason? The leader of the Social Credit "green shirts" apparently made Mr. Aberhart see red.

• • •

Poland has balanced its budget and now reports a surplus. Some taxpayers get all the breaks.

• • •

Beggars in Budapest have gone on strike by way of protest against a ministerial ukase restricting their activities. Which reminds one of the story about the penniless but proud person who said: "Sir, rather than accept charity I will beg."

• • •

"You needn't despair of the House of Commons so long as you have well-bred people among the radicals," says Lady "Nancy" Astor. Nor for that matter of the House of Lords so long as there are such radicals among the "well-bred" people in it as Marley, Passfield, Ponsonby.

• • •

In the six months to Sept. 30 the Alberta Government took nearly $2 millions more from the taxpayers than the year before. It paid only half the interest due to bondholders. It paid not a dollar of the promised Social Credit dividends. Yet the provincial debt went up by $2¼ millions.

Alberta citizens will probably regard this as a little too much Paradise.

• • •

In his election campaign, John Queen, mayor of Winnipeg, promised to put new taxes on the department stores, but not to impose one cent more taxation on the poor.

The Price Spreads report showed that average taxes on departmental stores doubled between 1926 and 1934. Taxes are part of the cost of doing business and are largely passed on to the buyer of merchandise.

But perhaps Mr. Queen thinks the poor never visit department stores.

• • •

Self-analysis is good for business as for the individual. James O. McKinsey, chairman of Marshall, Field & Co., Chicago department store, said the other day:

> "If we do not take care of the flaws and mistakes of our business structure and live up to our full responsibility to profit from this depression and do our utmost to alleviate the hardships attendant upon such depressions, it is inevitable that government will take away more and more control until we finally lose our economic freedom."

• • •

How much good did the British press do themselves, the nation, the people or the King by their supposedly "self-imposed" censorship on the King and Mrs. Simpson? When the crisis arose the people had not been prepared for it. They knew nothing of the facts leading up to the deadlock between the Prime Minister and the King.

Whatever else comes of the present crisis, the newspapers of Britain will in the future be more frank and open in discussing the private affairs of members of the royal family, for it is now obvious that those private affairs may become matters of grave public concern.

Sayings of the Week

"Business and government must necessarily prosper or suffer together."—*Jesse H. Jones.*

• • •

"Are we going to drive the machine, or is it going to drive us?"—*Ford Horder.*

• • •

"Great Britain has been scouring the world for unattached airplane mechanics."—*Raymond Moley.*

• • •

"Interest by the people in government is essential to the democratic form of government."—*Alfred E. Smith.*

• • •

"In the circle of his own friends King Edward's life is as much his own affair as mine or the dustman's."—*John Drinkwater.*

• • •

"Respect for the law depends upon man's ability and willingness to change the law to meet his changing needs."—*Nicholas Murray.*

• • •

"I was not offered the Order of Merit because the government knew I had already conferred it on myself."—*George Bernard Shaw.*

• • •

"One of the outstanding needs is for our leaders to take unto themselves some of the courage of the common people."—*Alfred M. Landon.*

• • •

"Having travelled around the world and observed what is going on in it, I am today a firmer believer than ever in national defense."—*Bruce Barton.*

• • •

"Every economic agreement between nations should be accompanied by an understanding or formula on a minimum wage and a maximum hour."—*Bernard M. Baruch.*

• • •

"Business will not have accomplished its full service until it shall have provided the opportunity for all men to be economically free."—*Owen D. Young.*

• • •

"The ability of a small minority to block constructive change may mean the difference between orderly progress and disorderly confusion—even civil strife."—*Norman Thomas.*

• • •

"Economic problems are human problems and because human society is alive and changing, right answers are not likely to remain right very long."—*Edward A. Filene.*

• • •

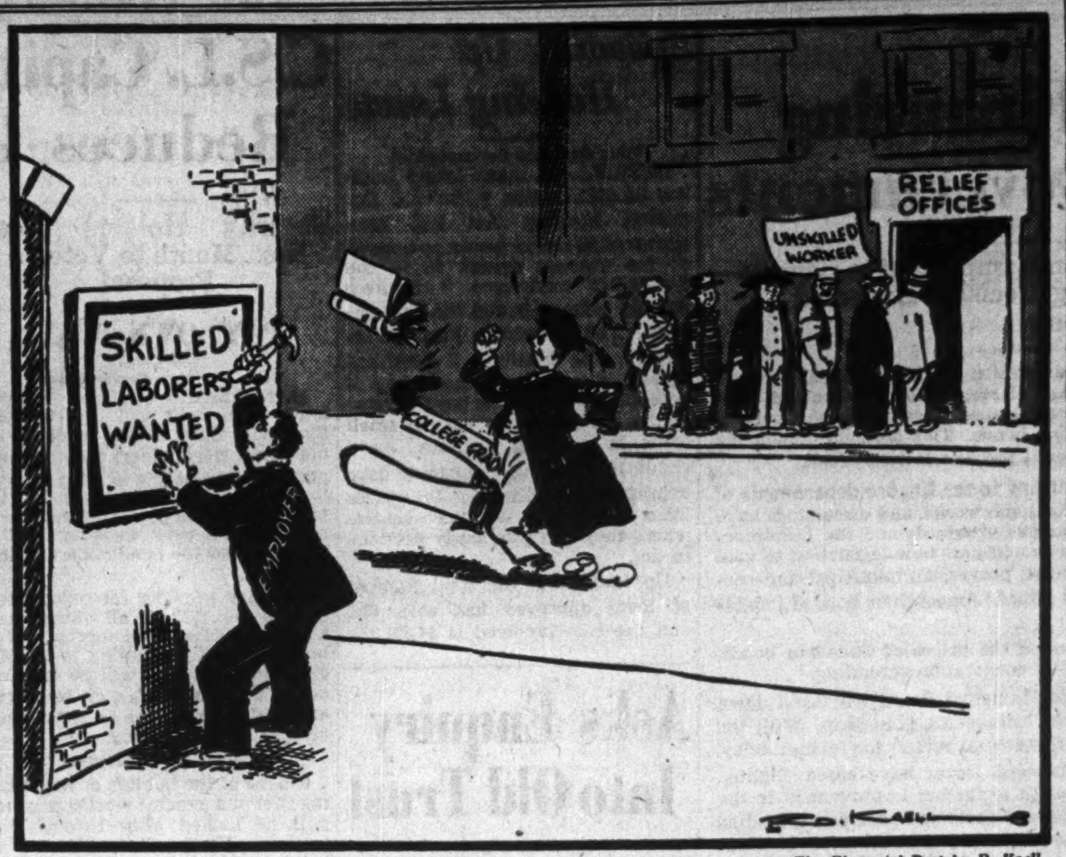
"One of the dangers in dictator-controlled countries today is that no safety valve is provided through which the people may express their dissatisfaction."—*Irene Ward, British M.P.*

• • •

"There will be peace in Europe for years to come, and there will be no war until one nation can be supremely confident of victory, which no nation can be at the present time." — *Lord Beaverbrook.*

• • •

"Cynicism is not truth; it may simply be a foiled endeavor to find the truth, and scepticism may be exaggerated into scientific snobbery." —*Robert England, director Extension Department, University of British Columbia.*



—*Drawn for The Financial Post by R. Kaell.*

JOBS FOR THOSE WHO CAN FILL THEM

In the Mail

May Blacken Canada's Name

Editor, The Financial Post:

Your reference in The Post of November 28 to 'phone tipsters interests me greatly. Only last Friday night I was honored—and startled—by a long distance telephone call from one of your Toronto altruists. He gave me to understand that he was solicitous about my financial well-being, and could not find comfort until he had offered me security. He was a delightful sort of chap and went so far, even, as to pay the toll. Since reading your article I feel somewhat chagrined that a resident of this, the capital city, noted for its courtesy and hospitality, should let a mere Birminghamian outdo him in the civilities, but he did.

Perhaps the Canadian who stays at home does not realize the pride an expatriate son of the Dominion takes in the reputation his native land bears for integrity and law observance. Not alone this native son who is writing, but, I am confident, every Canadian who lives abroad is proud of Canada's reputation for honor and integrity. And surely there can be nothing that makes one hold his head higher than to hear his native land praised for virtue. That is a badge of distinction that Canada confers on all her children.

Canada has a sorry enough mess now in its railway muddle without adding to the people's discomfiture by permitting impostors to practise their shady arts unscathed. If the ribald mesalliance of politics and transportation can beget the cancerous monstrosity of railway debt just what kind of progeny can we expect from the dalliance of politics with the mining industry?

My recollection is that The Post a few years ago crusaded against fraudulent practices by certain brokers, and to some purpose. The picture is etched on my mind of a round-up of several self-esteeming citizens of Toronto at the ghostly hour of 7 o'clock on a raw winter morning preparatory to an appearance before the majesty of the law. On that occasion the law functioned well. Rough treatment, gentlemen, but very salutory.

Is there not some way by which you can apply similar tactics to certain gentlemen who are given to long distance telephone calls in the interest of selling mining stock to gullible people? If so, you will be rendering a valuable service to the mining industry and helping to remove a blot from the 'scutcheon of Canada. You would have the moral support of every right thinking citizen in the country—and out of it. Go to it and more power to you.

D. MacGUIRE.
Minister, First Presbyterian Church

Montgomery,
Alabama.

Liberty in Canada

Editor, The Financial Post:

I read with considerable interest article appearing in The Financial Post issue of Nov. 28, under caption "Foreign Publications Now Flooding Canada."

The listing of Liberty Magazine in the summary of "foreign publications" is not according to fact. We are established as a Canadian corporation, maintaining Canadian printing, management and personnel.

We feel, under the circumstances, entitled to a retraction in this particular connection.

W. M. PHILPOTT,
Associate Publisher.

Toronto.

Editor's Note: Liberty's masthead says its publisher is Bernarr MacFadden and its editor-in-chief Fulton Oursler, who can hardly be classified as Canadian "management and personnel." It asks readers to write to its Short Story Editor, 122 East 42nd Street, New York, which is in a foreign country.

If Liberty is not a foreign publication, it owes its readers apologies or explanations for such curious un-Canadianisms as these in recent issues:

Nov. 21. An article headed "How Safe is America? Could We Resist Invasion?"

Dec. 5. A reference to an American radio announcer as "One of the nation's widest-known radio commentators," who speaks over the nation's station.

Dec. 12. A reference to Roosevelt as "president of all the people."

If "we," "the nation" and "all the people" do not refer to a foreign nation and a foreign people, The Financial Post apologizes and retracts.

The Church and Confiscation

Editor, The Financial Post:

While reading the editorial page of your issue of Nov. 8, I came across a quotation of Dr. George C. Pidgeon of Toronto, deploring the tendency of legislatures to legislate private citizens out of their rights, evidently referring to Premier Aberhart of Alberta. I have no use for Premier Aberhart; but after all, is he really the pioneer of this sort of iniquity in this country?

As one of many thousands who suffered from its effects, I have very good reason to remember the "Church Union" legislation of 1925. It was a brazen attempt to interfere with religious liberty by destroying the Presbyterian Church in Canada. That church was thereby plundered of a large part of its property. Such platitudes from Dr. Pidgeon as now appear in the press were then conspicuous by their absence. I then made the prediction that if legislatures confiscated church property, they would not stop there. Before Dr. Pidgeon attempts to pull the mote out of Aberhart's eye, he should first cast out the beam out of his own eye.

MALCOLM A. McKAY,
Port Arthur.

Values Wills Articles

Editor, The Financial Post:

My compliments on your very timely and interesting articles on the subject of "Your Will and Your Estate."

I read them with a real interest and am glad to see that I have nearly followed your advice as, for example, giving to my executors discretionary powers as to the disposition of capital in case of special need, so long as they were in agreement.

As you well say, one cannot, at many years distance, foresee all possibilities.

PHYSICIAN.

Montreal.

Major Herridge's "Plan"

Editor, The Financial Post:

A large number of subscribers will be disappointed that in your editorials of Nov. 21 you so lightly brush aside the recent address by Major W. D. Herridge.

Cyrus H. K. Curtis, the great publisher, said, "It is surprising how many brainy men dodge plain facts. They waste valuable time trying to make five or six out of two and two."

Let us face facts, before it is too late, and forget petty party politics. Man must plan for what he wants. Hoping without action is useless. Planning has long been practised by the Communists who continue to undermine and grow strong while Capital dumbly stands pat on the laissez-faire principle.

Much further delay and Capital and the middle-classes will be fleeing to seek the false protection of Fascism as a last refuge from Communism. Fascism will not satisfy all classes, therefore cannot endure, and is just as dangerous as Communism.

We do not want any more Government interference in business than can be avoided, but it seems that some further regulation or supervision will be necessary. Let us first give Capital a chance to show that it means to, can and will voluntarily regulate itself. It must act quickly and be ready to make great sacrifices, but half a loaf is better than none.

The glaring defects and abuses under our economic system as now applied must be apparent to all. If you agree with even a part of what Major Herridge said then why run away from facts? They must be faced some day.

The Capitalistic system is undoubtedly capable of better performance than any other that can be devised. It affords wide scope for just revision that will satisfy all classes.

What will be the probable world economic position about 1940 or 1941? Many economists believe that when the present inflationary cycle reverses we are almost certain to have another depression with not only a repetition of what we are emerging from but much worse unless we plan now.

N. L. McGLOAN,
Vancouver, B.C.

Tolls for Our Canals

Editor, The Financial Post:

Your journal carries a story to the effect that an agitation has been renewed in the Maritime Provinces for the construction of the Chignecto Canal, at an estimated cost of $23,000,000. Can you inform me whether the proponents of this scheme believe that shipping passing through it would pay tolls enough to provide for capital and maintenance expenditures? And whether it would be the policy of the Government to impose such tolls?

Neither the Canadian National Railways, the Welland Canal, the St. Lawrence Canals, the Ottawa Canals, the Sault Ste. Marie Canal, nor the highways of any of our provinces have been operated on the basis of making the users of these facilities pay for them. In every case all or part of the costs of providing these transportation facilities have been charged to the general revenue of the country.

As a result of this policy it is entirely impossible for us to know whether any of these alleged improvements in our transportation system have really been economically desirable. If we are to continue along this line of policy, why stop at building the Chignecto Ship Canal? Why not a canal from Fort William to Vancouver? Why not a canal from Hudson Bay to Montreal? Why not a canal from Montreal to Saint John?

The whole question of public contributions to the convenience and profit of the people of the country needs a little consideration. If we will now return to the sensible idea of making the users of these amenities pay for them, we may still save this country from grave disaster. If we do not we shall stumble gradually into a condition which can only be described as not only Socialism, but lunatic Socialism. Orators constantly inveigh against the wickedness of greed and jealousy. These vices have seldom produced any damage to the interests of the nation except when they have been permitted to find their expression in enormous public expenditures which would not have been undertaken had it been clear that those who benefitted directly from them would pay for them.

STUDENT,
Montreal.

Do We Need Apprentices?

By H. W. MACDONNELL,

Secretary of the Industrial Relations Department of the Canadian Manufacturers' Association, writing in the association's organ, "Industrial Canada."

It is becoming increasingly apparent that, as business improves, Canadian industry is likely to experience a marked shortage of skilled workers. A certain shortage has already been experienced in the metal trades and one or two others, and unless steps are taken to meet the situation, many industries are likely to encounter the same difficulty.

The reasons are not far to seek. With certain notable exceptions, Canadian industries have tended, instead of training their own skilled workers, to rely on securing an adequate supply from the older industrial countries, especially Great Britain. It was natural enough that this method of recruiting should be resorted to. The graduates of the apprenticeship systems of the older countries were well trained, and there was a fairly adequate supply; and there were difficulties in the way of recruiting Canadian boys, chief among which was the fact that the great majority aspired to "white-collar jobs" and looked down on "overalls jobs."

Fewer Immigrants

In recent years, however, the supply of skilled men from the older countries has practically dried up. The general falling off in emigration from the older countries, due to many different causes including the greater protection against old age, sickness and unemployment provided by the social legislation of the older countries, than by Canadian legislation, has applied to the artisans as to other classes. Indeed, the very opposite movement has actually set in and in recent months, by reason of the great activity in Great Britain in armament manufacture and allied lines, a certain number of British-trained mechanics have left Canada for Great Britain. Clearly then it is high time for Canadian industry to take stock of the situation.

If, as appears probable, it is going to be necessary for Canadian industry to train its own skilled men, the question arises whether it should be done along the lines of the British apprenticeship system. On that question there appears to be marked difference of opinion. In some quarters, the view is held that there is no reason why the British system could not be successfully copied and cases are instanced of Canadian firms, which have maintained such a system for many years with complete success. As against this, it is urged that Canadian boys cannot be induced to sign long-term indentures, that the brighter, more ambitious boys all aspire to "white-collar jobs," and that industry cannot afford to pay the comparatively high wages without which Canadian youths would not be attracted. As to this, it may be pointed out that a considerable number of the larger firms already have in operation various schemes for training young workers, and there seems no reason why, where some have succeeded, many more could not.

Technical Education

Another possible method of solving the problem, whether alone or in conjunction with some kind of apprenticeship system, is technical education. The importance to industry of this type of training was widely recognized just after the War, and the Dominion voted $10,000,000 to be allocated over a 10-year period to the various provinces on the basis of population, conditional on the expenditure of dollar for dollar by the province in question. Advantage of this was taken by a number of the provinces, notably Ontario, and a number of well-equipped technical schools have been established and may be said to have gone far toward realizing the hopes that were entertained of them, though it will be admitted that they have by no means completely filled the gap in our industrial system caused by the absence of a well-established scheme of apprenticeship.

As Others See Us . . . .

Municipal Debts

Saskatoon Star-Phoenix

Looking over the Alberta situation, The Financial Post has come to the conclusion that there is a lesson to be learned from the events of the last few years. The lesson it derives is that reform delayed too long breeds impractical radical experiment, a lesson which any good 12th grade history student could comprehend without the benefit of Mr. Aberhart and his laws.

This lesson, like all good lessons, is applied to present circumstances. The Financial Post finds that a similar situation presents itself in the problem of the debt burden borne by the Western Provinces "with which is allied the problem of debt burdens on western municipalities." The danger in this situation is that unless something is done to alleviate these burdens, there will be an irresistible demand in western Canada for more of the same sort of legislation passed recently at Mr. Aberhart's special session.

These are suggestions which have been repeatedly urged by the Star-Phoenix and reference is made to them at this time chiefly because The Financial Post, after setting up its problems deals almost exclusively with the question of scaling down provincial debts. This is an important subject to residents of the whole of Saskatchewan, but it may be even more important to attack municipal indebtedness first.

Other People's Views . . . .

Two Fallacies Exploded

Winnipeg Free Press

A common assumption by wishful thinkers about economic questions is that reducing bond and mortgage interest can never cause hardship. They believe, or seem to, that all bondholders and investors in mortgages are rich and that at the worst, when their income from interest is cut, they do without a third motor car or a second footman. It is also commonly thought in the West that owners of bonds and mortgages cannot be neighbors, but must all live at least as far away as Toronto.

These ideas about the "creditor class" have been shaken in Alberta since Mr. Aberhart's debt laws came into effect. It is highly probable that the relief bill in many Alberta communities will be increased by Mr. Aberhart's debt laws. Only a minority of the people who live on bond or mortgage interest are in the plutocratic class.

Good Case Can Be Sold

Hardware and Metal

Much significance can be attached to the result of the chain store tax fight in the state of California. A proposal to levy a high tax upon chain stores in that state was voted down by the people at the national elections, this being the first time such legislation was put to a vote of the people. The result will likely have a widespread effect upon pending legislation of a similar nature elsewhere, though in Canada sanction has recently been given a number of bills for chain store taxation particularly in Quebec municipalities.

Politicians working on the principle that it was popular to raise money by soaking the large corporations, gave little heed to the lobbying of the chain stores in the California issue. Then the chains turned to the people and laid their case before the voters. When the count was taken the proposal had been defeated by more than 260,000 votes—a shining example of what can be accomplished in counteracting hostile public opinion. The chains were forced to modify some of their own policies in order to present a clear cut case to the people of that state. For instance, they purchased as much as possible within the state and the result was that the farm vote went in favor of the chains. They also took a greater interest in local affairs in municipalities where their stores were located.

The result goes to prove that any class of business with a worth-while case which can be presented clearly at the bar of public opinion, has little to fear. There is a good lesson in this for independent merchants who have too often felt that they had to resort to legislation to curtail their competitors. The future strength of independent merchants will depend upon how well they fulfill their function in the public interest, and second how well they keep the public sold on the idea that they are being well served by them.

Power of the Press?

Saint John Telegraph-Journal

There is nothing mysterious about the power of the democratic press. It is just the character it earns for sincerity. The public will respect an institution that proves itself honest and earnest. Many may disagree with the opinion printed by a newspaper, but they will honor it none the less so long as they feel that it expresses what it believes to be right, and that it strives to enlighten by information and discussion through services as full and fair as it can provide. The daily press was called by Burke the fourth estate of the realm. Like parliaments, its power is derived from the people, but when it acknowledges responsibility to any other control, it, like parliaments, becomes a mockery and its power wanes. Free, it is an indispensable part of democratic institutions; where freedom languishes it becomes the mere tool of autocrats, a trivial reflection of their power.

Week in Business

Wage Increases Nearing $2 Millions for Canada

Prospects for Retail Trade at Year End Point to New Peak Since 1930

The first real crop of wage increases for Canadian workers made its appearance last week. These included the increase of 7½% to all employees of the Sydney Steel plant of Dominion Steel & Coal Co. and its subsidiaries in Canada and Newfoundland. The boost will affect nearly 8,000 workers and will cost $500,000 to $600,000 annually.

Two important increases have also been announced for textile workers of Dominion Textile Co. and Canadian Cottons, Ltd. The former gained a 7% boost involving $250,000 and bringing wage rates back to the April, 1933, level. Canadian Cottons employees got a 6% increase affecting [illegible]000 workers and restoring rates also to the April, 1933, level.

Other increases noted recently have been a special two-weeks bonus to employees of General Foods, Ltd. in its 63 plants and sales offices throughout Canada. Earlier in the month many thousand automobile company employees shared in bonus distributions of parent companies in the United States—including those at General Motors of Canada who received about $250,000.

* * * *

Effect on Business Prospects

Incidentally it is this very sharp increase in labor costs and wages, (almost an epidemic in the United States) which is causing business commentators to take a more sober view of prospects in 1937. Admittedly these increases will achieve greater purchasing power among those who receive them but the backlash comes when such increases (as has been the case in many instances in the U. S.) have been given not because of lowered manufacturing costs but primarily to forestall strikes and other labor difficulties and must therefore be reflected in higher costs and prices for goods and services.

As one commentator puts it:

> "The net effect of wage boosts by manufacturers except where economically justified through lowered manufacturing costs is to render the purchasing power of the whole community less effective with the result that the change can be accommodated only by a lower volume of production. The present wage boosts in industrial centres therefore constitute another mildly deflationary influence."

There will be many who will quarrel with this view but nevertheless it raises a factor of considerable importance in the 1937 outlook.

* * * *

Retail Prospects Best Since 1930

Year-end trade—except for special areas such as the drought-ridden prairies—promises to be the largest for any year since 1930. In many lines, sales will be considerably above the 1930 level. Hardware sales are currently 3% higher above 1930 without any allowance for prices in the meantime having dropped, on average, about 13% from their pre-depression peak. Other lines such as furniture, men's clothing and variety chain sales are topping 1930 marks after allowance for changes in price.

Average retail prices in 1936 are 15% lower than in 1930. And when allowance is made for this difference it is found that December sales need only to continue the relative pace of the past two months to overtake the 1930 figures.

* * * *

Higher Quality Buying

For the second consecutive year, a feature of retail and Christmas trade will be the demand toward higher quality and higher price merchandise. There has also been a mild "boom" in travel and cruise clothes, indicating a substantial trek of Canadians to sunnier climes during the next few months.

Pending settlement of the constitutional crisis, many lines of business even on this side of the Atlantic have been "jittery." Leading Canadian institutions find themselves forced to take delivery of huge runs of "Coronation" calendars which they had intended to send to their clients for 1937. Steamship companies will be the largest sufferers if any change in plans proves necessary.

Favorable

Carloadings continue almost 6% above last year's total despite sharply lower grain loadings. Almost every group showed gains for the week ending Nov. 28.

Motor car sales (volume) in October were 15% above corresponding figures for the same month last year, but the total was slightly lower than September as introduction of new 1937 models had scarcely begun.

Retail sales were 5% greater than in October, 1935. Many important groups showed better than average gains as shown elsewhere in this issue.

Business Indicators as Compiled by The Financial Post

▴Denotes new figures this week.

WEEKLY DATA

	Latest 1936	1935	Cumulative Total—Jan. 1 to date 1936	1935
Transportation—				
Car loadings (Nov. 28)	▴49,586	46,815	2,294,212	2,191,645
C.N.R. gross earn (Nov. 30)	$ ▴4,633,071	$ 4,583,827	$ 169,586,264	$ 158,208,584
C.P.R. gross earn. (Nov. 30)	$ ▴3,554,000	$ 2,647,000	$ 126,307,000	$ 116,092,000
Business Conditions—				
Weekly index D.B.S. Nov. 28)	▴112.4	100.1	......	......

MONTHLY DATA

	1936	1935	1936	1935
Business Conditions—				
Financial Post index (Oct.)	116.7	106.2	......	......
Transportation—				
C.P.R. net revenue (Oct.)	$ 4,403,183	$ 4,249,343	$ 16,230,651	$ 15,636,101
C.N.R. net revenue (Oct.)	$ 3,638,519	$ 3,622,065	$ 9,843,980	$ 9,762,625
Iron and Steel (October)—				
Pig iron production (tons)	70,051	45,521	535,836	464,585
Steel ingots and castings prod. (tons)	98,330	95,016	912,064	742,720
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (Oct.)	▴3,441	2,953	79,247	72,797
Factory output (Oct.)	4,592	7,128	104,680	116,332
Trucks and Buses:				
Domestic sales* (Oct.)	▴1,079	983	18,799	16,563
Factory output (Oct.)	769	1,185	26,419	29,390
Exports (Oct.)	2,922	3,931	46,699	53,415
Construction—				
Building permits (Oct.)	$ 4,120,416	$ 4,030,318	$ 33,553,743	$ 40,711,114
Contracts awarded (Nov.)	$ 13,840,400	$ 8,290,800	$ 156,469,200	$ 155,940,100
Newsprint (tons)—				
Production (Oct.)	301,106	266,515	2,604,831	2,245,129
Exports, tons (Oct.)	280,732	240,421	2,411,018	2,053,207
Sugar (lb.)—				
Melting & sales§ (raw)	100,937,342	86,100,288	783,496,087	716,071,482
Manufactured§	141,355,351	129,825,202	802,444,724	754,506,205
Flour (bbls.)—				
Production (Oct.)	▴1,701,267	1,824,754	12,408,090	11,647,780
Wheat flour exports (Oct.)	464,013	501,442	3,966,136	3,911,821
Trade—				
Retail trade (index no. of sales) (September)	76.6	72.5	......	......
Imports (October)	$ 65,186,563	$ 52,751,020	$ 516,052,936	$ 455,787,336
Exports (October)	$ 113,002,780	$ 91,822,850	$ 805,629,169	$ 663,413,271
Wheat exports (bush.) (Oct.)	26,917,096	28,919,421	189,294,774	122,053,533
Employment, D.B.S. Index (Nov. 1)—				
All industries	111.0	107.7	......	......
Manufacturing	107.7	103.5	......	......
Electric Power Output (Oct.)—				
Total monthly m.k.h. (000's omitted)	2,378,369	2,162,569	20,901,116	19,104,573
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft (October)	185,338	138,118	1,322,846	1,106,764
Boot & shoe prod., pr. (Sept.)	2,106,081	1,982,451	16,817,638	16,528,838
Crude petrol. imp. gal. (Oct.)	158,755,174	133,728,567	1,037,902,097	981,755,072
Cotton imports, lb. (Oct.)	16,542,791	10,770,453	108,338,956	93,619,285
Raw rubber imp., lb. (Oct.)	6,965,578	1,819,433	50,499,531	44,611,407
Coal imports, tons (Oct.)	1,638,259	1,314,128	11,039,650	10,845,382
Finance—				
Bank debits (Oct.)	$ 3,328,226	$ 2,907,516	$ 29,221,453	$ 25,592,252
Bond sales (Oct.)	$ 125,730,675	$ 65,915,953	$1,135,625,525	$ 717,482,390
Life insurance sales (Oct.)	$ 30,092,000	$ 30,416,000	$ 302,402,000	$ 297,676,000
Automobile Financing (Oct.)—				
Used cars	$ 1,703,273	$ 1,266,777	$ 21,865,029	$ 15,938,992
New cars	$ 1,519,272	$ 1,096,937	$ 26,064,055	$ 19,882,187

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to October 31.

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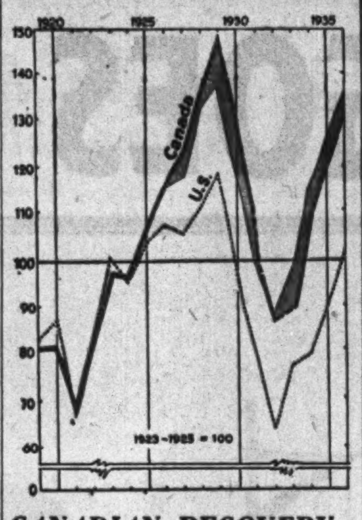

CANADIAN RECOVERY

This is the corrected chart of Canadian and U. S. recovery as suggested by a correspondent to The Financial Post this week. As pointed out in the adjoining article, Col. Ayres's statement that Canadian recovery had got back to 97% of the 1929 level was apparently based on an error in computation of Canadian business index. The corrected figure appears to be 70%.

The corrected line for Canada is shown in the heavy black line. The shaded portion below the 1929 peak shows the extent of error in the Cleveland Trust computation. Since 1932, the correct line is below the Cleveland Trust computation.

Commodity Markets

Price increases will become effective on steel bars Dec. 14. Carbon steel bars will be advanced $3 a ton; alloy steel $2 a ton. United States prices for structural steel will be raised $3 at the beginning of next year.

While the increase applies only to basic steel products, it should eventually filter through into manufactured goods which have substantial steel content. Hardware dealers, for instance, are anticipating some effect on their merchandise. They are just beginning to feel the effect of higher raw copper prices, in raising the prices of wholesale and retail prices of finished goods.

* * *

Pig Iron Prospects

Advance in iron prices is also probable at the beginning of 1937. Those in the trade have regarded Canadian prices as too low for some time. Particularly is this true in comparison with American quotations. For instance, the base price of pig iron in Toronto is now $20.50. Prior to Dec. 1, the Buffalo price was $19.50. Freight on this to Toronto would run about $3.30, duty $2.80 and other incidentals would bring the laid down price of Buffalo iron in Toronto to about $26.

This spread was widened last week when an increase of $1 a ton was effected in American pig iron. There is thus a margin of roughly $6.50 a ton between Canadian prices and the cost of importing iron from across the line. The increase in the United States applies to deliveries over the rest of this year and the first quarter of next.

* * *

Produce Stocks

Preliminary cold storage figures for leading cities in Canada at Dec. 1, 1936, showed practically no change in butter stocks from a year ago but very pronounced decreases in cheese and eggs. End of the active producing season for cheese and continued heavy shipments to the newly opened market in United States are probably responsible for the decline in stocks of that commodity, while unseasonably cold weather aggravated by the natural seasonal decline explains the drop in eggs.

Creamery butter in Canadian cold storage Dec. 1 amounted to almost 26 million pounds or fractionally higher than this time a year ago and approximately 5 million pounds less than Nov. 1, 1936. Cheese stocks at approximately 14 million pounds were almost two million pounds lower at Dec. 1 compared with a year ago and about one-third less than Nov. 1 figures. Fresh eggs were considerably below the figures of a year ago. Cold storage eggs showed no change from Dec. 1, 1936, but were down one-third from Nov. 1 of this year.

* * *

Production Control

Pointing out that restriction of raw material production is becoming an international issue, Whaley-Eaton Service summarizes the situation in rubber, tin and zinc as follows:

> "London forecasts automatic suspension of tin restrictions on account of world rearmament programme, and there is no serious disagreement with that view. The major split comes in rubber, Britain holding grimly to the theory that a 5% expansion of the production quota will be sufficient, while the Netherlands believes that restriction should be abandoned. The United States, the world's greatest consumer, holds most of the trump cards and may be expected to take the Netherlands view. Negotiations for a zinc cartel have been virtually abandoned."

Price Range

	Latest week	Previous week	Same week last yr.
Cattle	$6.50	$6.10	$5.85
Hogs	8.35	8.25	8.75
Copper, lb.	.10½	.10½	.09¼
Cotton, lb.	.1256	.1236	.1220
Rubber, lb.	.1931	.1856	.1312
Sugar, raw, lb.	.0381	.0365	.0310
Silk, lb.	2.16	2.22	1.99
Wheat (Man.) bus.	1.14⅜	1.07¾	.84½
Coffee, lb	.08⅝	.08⅝	.06⅝
Hides	.13½	.13½	.10¾
Weekly Indices			
N. Y. Annalist	131.7	130.0	129.9
Fishers'	86.7	86.1	84.6
N. Y. Journal of Comm.	84.0	83.3	81.1
Crumps (Brit.)	75.4	74.0	68.6
U. S. Labor	81.3	81.2	80.1
Canada (D.B.S.)	77.2	77.2	72.9

Monthly Indices

	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (Oct.)	81.5	81.5	80.3
W'sale (Oct.)	77.1	76.4	73.1
U. S. Labor (Aug.)	81.6	80.5	80.5
Gt. Brit. (Aug.)	83.4	82.0	77.5

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1929 = 100 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price Toronto: Copper-electrolytic, New York: Silk—Japanese, 13-15, New York: Sugar—96 degrees centrifugal c/f New York: Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis: Hides—No. 1 packer light native cows, New York: Hogs — select bacons, Toronto.

Did Col. Ayres Err In Canadian Figures?

Did Col. Ayres "pull a boner" when he broadcast the news across the continent that Canada had regained 97% of her depression losses while United States had regained but 70%.

This startling statement published recently in The Financial Post and given wide circulation across Canada is very much awry according to figures submitted to The Post by a correspondent who quotes official chapter and verse for his opinion.

Says this correspondent:

"We cannot explain how the serious error in this chart could have arisen because the differences are by no means constant. At any rate, the picture of Canadian business as given in this bulletin is not correct.

"Attention to the enclosed tabulation of official index figures (those reported as used by Col. Ayres) will show that the decrease in the Canadian index on a percentage basis, is only moderately less pronounced than the reduction in the United States index. The estimated figure for 1936 in the United States is some 13% below the 1929 level, while that of Canada is about 12% below the average for the same year. In other words there is no very striking difference between the two indices relative to 1929."

Using the corrected figures as given to us by our correspondent it is seen that both Canada and the United States have recovered almost exactly 70% of the ground lost during the depression. According to the original figures used by Col. Ayres, United States had recovered 70% and Canada 97% of ground lost.

Background of Business

Many Provinces Move To Male Wage Minimum

Trucks Make Bid for Special Business in Eastern Canada — Revision of Arcand Bill Planned

Action toward minimum wage regulations for men is moving on at least two fronts in Canada at the present time.

Regulations affecting wages and hours in Saskatchewan became effective Nov. 16, applying to both male and female workers in certain classes of employment. Three main groups affected are those employed in retail shops, including mail order houses, employees of laundries, cleaning establishments and millinery shops, and factory and garage workers. Regulations affecting a fourth group, namely, barber shops and beauty parlors, become effective Jan. 1.

A minimum wage law for men came into effect Nov. 17 in Alberta by the proclamation of legislation passed last April. The law in this province affects all employees except farm laborers and domestic servants. In this province a board of three members is provided which after enquiry fixes scales for particular industries and trades. These scales may apply to a full industry or any part, to the whole or any section of the province. Control is also effected over the number of apprentices or handicapped employees to whom lower wages than the set scale may be paid.

The question is now a very live one in Quebec, according to the Montreal Gazette. It points out that a commission now administering minimum wages for women in that province has already done a considerable amount to improve wages of boys and men when replacing women in occupations held to be ordinarily women's work. It is expected that some type of legislation will be introduced in Quebec at the next session and that Hon. William Tremblay, Minister of Labor, will endeavor to reach some arrangement with other provinces at the inter-provincial conference this week.

* * *

To Revise Arcand Bill

A committee of eight has been appointed to revise collective labor agreements law commonly known as the Arcand Bill in Quebec Province. Representatives of both employers' and employees' committees also include four lawyers said to be conversant with the operation of the law itself.

Labor is represented by Alfred Charpentier (Federation of Catholic Workers), Pierre Lefebvre (Dominion Trades and Labor Congress). Employers represented by L. S. Deschamps (manager, Hetherington Bakeries, Quebec); and D. A. Paterson (secretary, Builders' Exchange, Montreal).

The committee is to make its report early in February to enable the Government to make any necessary recommendations at the beginning of the next session. The members will visit principal cities of Quebec. According to Hon. William Tremblay, Minister of Labor, it is the Government's intention to completely revise this social law.

* * *

Fewer Rolled Oats

An important change was recently made in the size of rolled oats cartons in Canada by the larger milling firms, says Canadian Grocer.

Instead of the 55-oz. carton, it is now 48-oz. or three pounds. The reduction in size applies to both the plain and the premium cartons.

There is also a reduction in the price, ranging from 10c. and 12½c. to 17½c. per dozen cartons.

The oat market has been very much on the firm side this year on account of the big reduction in the crop compared with last, although at the moment the market may be down a few cents from the high. Millers have been contemplating an increase in the price but finally decided on a reduction in the size of the carton to make the net weight of the contents exactly three pounds. At first it was planned to make no change in the price, but evidently competition forced the reduction as above mentioned.

* * *

Quebec Dinner Pails

Montreal businessmen report distinctly better business in Quebec Province this year as compared with last. An executive of one large company told Canadian Grocer recently that lumbering operations were showing considerable activity throughout the province, that sawmills in different sections that had been idle for the past three or four years were again in operation, that men with dinner pails were again on the move.

Export trade in lumber to the Old Country has been good and the new Dominion Government's housing scheme is designed to create further demand. New Brunswick, Ontario and British Columbia are other provinces that will benefit.

* * *

Cheaper Fish Rates

Nova Scotia fish exporters see a ray of hope in the announcement made by O. F. McKenzie, member of the N. S. Economic Council, Halifax., that an immediate cut of 25% in present freight rates on Canadian fish shipped to Brazil will come into effect. Mr. McKenzie returned from New York where he met members of the Brazil and River Plate freight conference lines on the subject of discriminatory freight rates in effect at present on Canadian shipments of fish to Brazil.

As a result of these discriminatory rates, sales of Canadian fish to Brazil have dropped from a value of $400,000 to less than $25,000 annually. It is stated the new rates will place Canadian fish on the same competitive basis as shipments from Newfoundland.

* * *

Canadian Spuds to Cuba

Prospects are that New Brunswick's exports of certified seed potatoes to Cuba this year will be as large as, or possibly larger than, last year's shipments. There has already been an increase in prices this year compared with last and the indication is that the season will be a more profitable one for the seed shippers here than 1935.

An increase in trade between Canada and Germany, as a result of the recently concluded trade agreement between the two countries, is anticipated in the coming year. Exporters of forest products in eastern Canada are particularly optimistic regarding the outlook for improvement. There has already been a considerable movement of pulpwood from New Brunswick to Germany and other European countries, and further expansion in the near future is promised.

Foreign Trade

Weekly foreign trade news summarized by Commerce Reports, Washington to Dec. 5.

Argentina—Business continued at a comparatively high level during November, with agricultural conditions excellent, and the strengthening trend of exports persisting.

Brazil — Fundamental improvement in agricultural sections, resulting from steadily mounting prices of most leading crops, and increasing foreign demand continue to influence manufacturing, transportation, and trade favorably.

Uruguay—The general economic situation remained favorable during November, with great activity and rapidly rising prices in the wool market.

Bolivia—Persistent improvements in tin prices favorably influence the outlook.

Peru—Despite mixed influences in the economic situation, foreign commerce continues its monthly gains over the last year, and bank indices remain favorable.

Mexico—The spotty business decline of October was reversed in certain lines during November, but with a reduced turnover in others.

Honduras — The current business slump, partly seasonal, reached a low point in late November, and despite favorable crop conditions, the immediate future does not appear promising.

Nicaragua — Uncertainty of commercial outlook has induced further curtailment of credit and purchases abroad, notwithstanding promise of good cotton and coffee crops.

Panama—Sales were down during November, but merchants optimistically look forward to the holiday trade.

Cuba — Business moved upward, following national elections in the United States, and the situation in the interior improved as sugar mills increased preparations for the approaching crop.

Venezuela — Commercial activity continued its upward course throughout November.

British Guiana and Jamaica—An improving sentiment appears to be developing in commercial circles.

Birmingham Produces Auto Every 90 Seconds

LONDON.—Every minute-and-a-half of the working day a new car leaves the works of a large firm of motor manufacturers in Birmingham.

This Old Country plant is the largest single-unit motor factory in Europe, employing directly and indirectly about 120,000 people. The factory has a road frontage of over a mile, and covers 100 acres of land.

From all parts of the Midland come people to work in this vast factory. Three thousand use bicycles, another thousand have motorcycles, while hundreds come in their own cars. Five special trains bring other workpeople, while thousaand travel to and from work in 120 special motor coaches.

Actually this vast factory costs $60 a minute to run. Wages cost $400,00 a week, then the works boilers and furnaces need 1,800 tons of coal and 140 tons of fuel oil weekly.

Four miles of carpet, 17 miles of leather cloth and 29 miles of rubber tubing, 17,000 gallons of paint and the hides from nearly 4,000 cows are used every week in the production of car bodies.

CHANGING TENDENCIES
IN BOND FINANCING

Preliminary statistics of Canadian Bond Financing for 1936 reveal interesting changes in both governmental and corporate flotations. This subject is discussed in our December Investment Letter, a copy of which will be mailed upon request.

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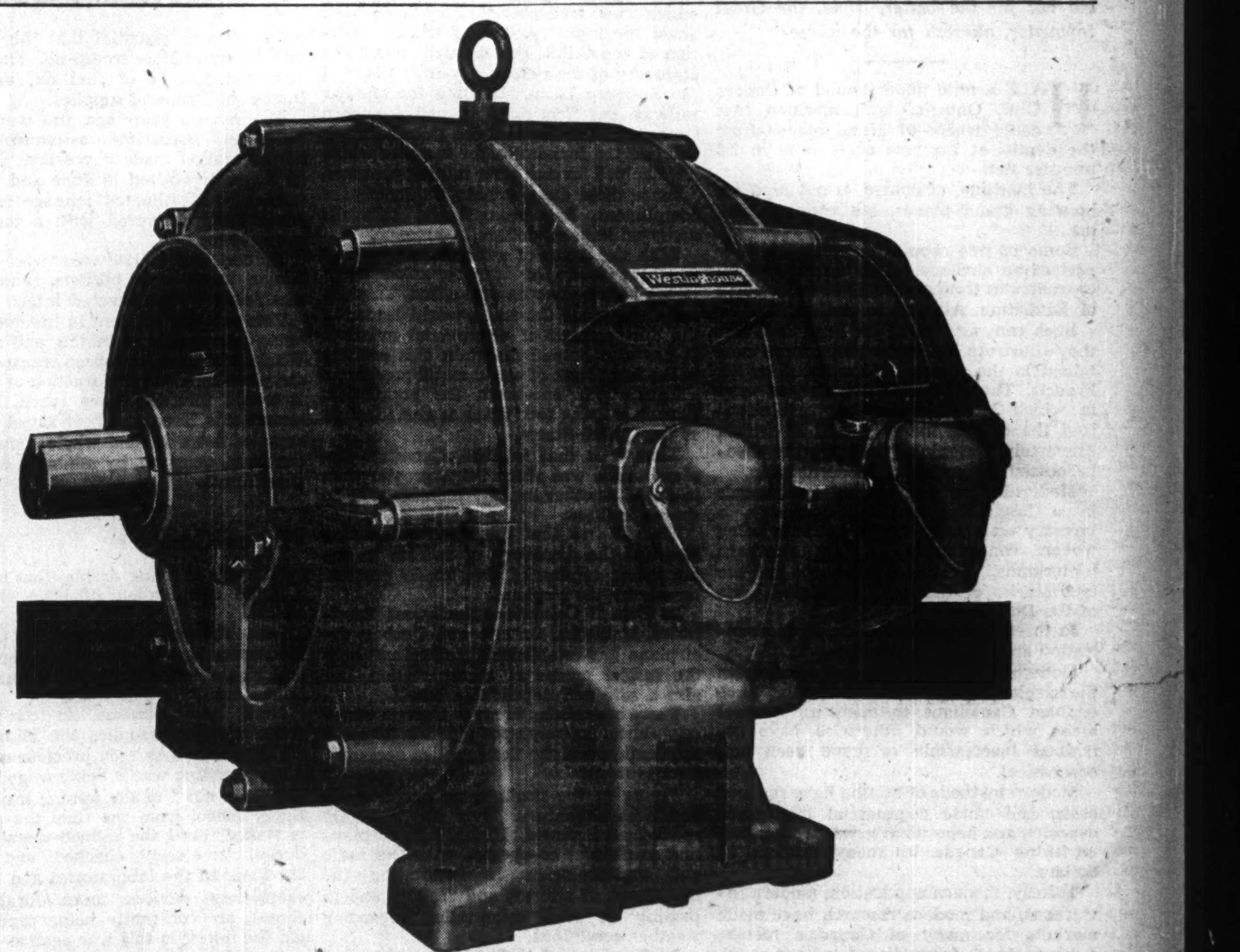

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CANADA'S NORTHLAND GOES MODERN

Great industrial enterprises like these huge properties of International Nickel Co. are typical of the forward march of Modernization and Mining.

Aviation and Research are but two of the factors moving Canada's mining frontier northward. They give access to new wealth and open new markets for our metals.

Half a mile underground this modern machine with a hoisting capacity of 20 tons tells the story of modern equipment in Canadian mining progress.

Over 300 years ago, Francis Bacon, sage philosopher, looking both to the past and the future, wrote: "That which man altereth not for the better, Time, the Great Innovator, altereth for the worse."

HALF a mile underground at Copper Cliff, Ontario, is a machine that could whisk 47 grand pianos from the depths at the rate of ½ mile in 2.6 minutes flat.

The machine, of course, is not used for hoisting grand pianos, but copper-nickel ore.

Some of this copper and nickel is now part of an airplane which carries radium concentrates from a point 1,000 miles north of Edmonton, Alberta, to civilization.

Such contrasts make the head reel. But they illustrate the tremendous force contained in the principle formulated by Sir Francis. They indicate the variety of ways in which Modernization has revolutionized the mining industry, and in which, conversely, the mining industry has revolutionized the course of Modernization.

Modernization and Mining are threads in a fascinating economic tapestry, a tapestry essentially Canadian. It is being woven continuously in the northern hinterlands, in the machine shops and the laboratories of the more populated parts of the Dominion.

In three important respects do Modernization and Mining intertwine.

Modern methods of transportation, from the airplane to the humble tractor, have enabled Canadians to open up mineral areas which would otherwise have remained inaccessible or have been uneconomical.

Modern methods of mining have reduced costs, and made commercial low grade deposits, and deposits at great depths, thus enriching Canada by many millions of dollars.

Thirdly, modern application, modern inventions, and modern research have made markets for many of Canada's metals, markets which formerly existed not at all, or in a restricted sense.

To these applications, these inventions, and this research, everyone who enjoys the 1936 standard of living is indebted.

Transportation

THE history of Canadian mining affords many examples of the manner in which new transportation methods have aided the industry. It was the construction of the C.P.R. that brought about the discovery of the rich copper-nickel ores of the Sudbury basin. Blasting for another railway the Temiskaming and Northern Ontario line uncovered the Cobalt riches, and laid the foundation for fortunes which have helped finance other mining ventures.

Since those days, mining, returning the compliment, has brought the railroads many millions of dollars in revenue.

With the dawn of aviation, mining and the new mode of transportation again joined hands—two natural allies. This entente has made Canada a world leader in the development of commercial aviation. It has also helped maintain this country in the front rank of world metal producers.

Thus, with one-tenth the population, Canada is flying four times as much freight as the United States.

Thus it is that in 1935, Canada's airplane traffic was about 243% greater than in 1934. Another healthy increase will be shown in 1936.

Thus it was that the blood-quickening story of the discovery of radium in the northwest territories was made possible largely by the airplane.

In British Columbia, Northwest Territories, Manitoba, Ontario and Quebec, the airplane has established itself as not only the fastest means of transportation, but also a safe and dependable one.

There are mining areas in Canada which rely almost entirely upon aviation for communication and for the supplies necessary for life itself.

Flying in the north is no longer a hit and miss adventure. It is now a highly specialized business. Highly trained pilots and mechanics co-operate with the radio and meteorologists in facilitating the movement of aircraft and freight, and in passing on vital information regarding weather conditions.

In the spring of 1935, 500 tons of freight had to be moved by air from Gold Pines at the head of water navigation at Lac Seul to Casummit Lake, in Ontario's far north, involving a return flight of 140 miles. It was essential that this tonnage be delivered before freeze-up. The freight consisted largely of fuel oil, dynamite, lumber and general supplies.

Ten, even 5 years ago, this would have been an impossible assignment. But Modernization made it possible. Delivery at the mine started in June and by September, the estimated tonnage had been successfully delivered with a margin of over 100 tons.

In one week, 129 tons were moved. Large units, ore buckets, and heavy machinery were delivered intact.

This was one incident in the ever tightening partnership of mining and aviation. Whole mill units have been transported by air, piece by piece, in a fraction of the time it would formerly have taken. On the human side, lives have been saved, medical supplies flown in, and whole communities enable to carry on, by mining's great ally the aircraft.

* * *

War on Costs

ALL this is living drama, that must fire the imagination of even the most stoical.

Less obviously dramatic is the part Modernization is playing underground, and in the mills, smelters, refineries and laboratories.

Here, Modernization, in continuously reducing costs, supplies the Midas touch which makes base rock precious ore. Here a never ending war is being waged against the "bête noir" of the mining man—costs. Every move, from the time the property is staked, until the refined metal is produced, is closely checked and double checked. In the laboratories and machine shops, new devices, more durable machines, are constantly being produced to aid the miner in this war against costs.

Ore after all is merely rock containing minerals which can be extracted at a profit. Every time costs are cut a cent, more of Canada's pre-Cambrian rock becomes ore.

Thus, even the smallest part of the vast machinery of mining may be an important item.

One such part is the ordinary grinding ball used in ball mills to crush the ore. Formerly these were made of plain iron. Research found that by using nickel as an alloy in the iron, these balls would wear longer, be more practical, and therefore reduce costs. This is a small incident, but reveals the Midas touch of Modernization.

Again, nickel steel is tough, lightweight steel. By using it in the construction of the cages which carry ore from the depths, the task of the hoist is made easier. Minerals at greater depths become ore. Transferring the ore at frequent levels is obviated.

Again costs go down. Again, the Midas touch.

Even the wheelbarrow is not too lowly an instrument for Modernization. Recently an "aluminum wheelbarrow" has been introduced which is said to permit a saving of 40 lb. in the dead load, thereby increasing the pay load by 15%.

All these are small incidents in themselves. Added together they mean commercial production, and the growth of a great industry.

They are Modernization.

They are the reason why today Canada has some of the lowest cost producers in the world, despite the handicap of geographical remoteness, and despite the fact that Canadian miners are highly paid.

They are the reason why old areas known to contain minerals decades ago, but never commercial, are today contributing their quota to the wealth of Canada.

* * *

Markets

ALL this, however, would be rendered useless if the Midas touch of modernization did not extend into the marketing field; did not find buyers for what Canada has to sell.

Thus is the three-clause alliance of Modernization and Mining — transportation, methods and markets—completed.

All of Canada's mineral riches do not enjoy the ready market enjoyed by her gold. To build Canada to her present status in the world, as a source of minerals, intensive research was necessary.

Probably the most striking example of the successful application of modern methods to marketing is provided by the nickel industry. In 1922, the world's chief producer of nickel faced a dubious future, its earnings practically wiped out in the space of 18 months. Dividends were suspended, and even the preferred stock dropped to 60 per cent of its par value. The armament market cut off, this company had to find new markets, or succumb.

To this problem were brought scientists and research men. In no other industry has the work of these men been more strikingly rewarded than in this.

It has been said that from the time a man is awakened in the morning by a nickel-plated alarm clock, until he taps out the ashes from his bedtime pipe into a gleaming ashtray, he is almost continuously a user of Canadian nickel.

Thus has the art, first used by the Egyptians as long ago as 2,500 B.C., of coating one metal with another, grown in the past century, through electroplating, into part and parcel of modern life. In Canada and United States are some 6,500 plating establishments in which, last year, some 36 million square feet of other metals were coated with nickel.

Extensive as this industry is, it takes only about 10% of the nickel output from Sudbury.

As an alloy, nickel has now passed from an experiment to a necessity. Its first major use as an alloy was in the manufacture of steel. Since the war, its use in cast iron has grown by leaps and bounds. Its addition to iron adds machinability to what was formerly a brittle metal. Consumption in this field has now passed the 1929 peak.

The use of nickel in the manufacture of monel metal is well known, from the kitchen to the facades of the world's greatest buildings. This product has provided a large market for the Sudbury product.

Latest development in the use of this metal (which Saxon metallurgists, anxious to refine the pure copper, regarded as the curse of the devil himself) is in non-ferrous metals, small quantities being used to replace tin in the manufacture of bronzes.

In the automobile, the high speed train, and the airplane, nickel is now an essential. In nearly every phase of modern life it has found itself a place.

Similar results have been accomplished with other metals produced by Canada, notably copper.

* * *

The Road Ahead

CANADIANS do not have to be shareholders to share the benefits of a growing mining industry. They share through greater national wealth, and a higher standard of living.

This tremendous accomplishment has been made possible by research, by Modernization. The principle outlined by Francis Bacon 300 years ago is a principle which involves this tremendous force. Mankind can never declare an armistice with "Time, the Great Innovator." Always will he have to alter for the better, that Time may not alter for the worse.

Here, in an age of metals, lies Canada's destiny. The very stuff of which Canada is made is needed by the world in its endless march with Modernization.

Canada's mining industry has already marched far.

But the road stretches ahead.

Modernization is a major facto in the forward march of Canadian business. The following firms and institutions have made possible this constructive series of articles to indicate in practical fashion the amazing opportunities for good business that lie in a programme of rehabilitation for Canada:

CANADIAN INDUSTRIES LIMITED
"Cellophane" Division
"Cellophane" the modern packaging medium

THE T. EATON COMPANY LIMITED
"It pays to shop at Eaton's"

INTERNATIONAL FIBRE BOARD LIMITED
Montreal Ottawa Toronto
Ten-Test Insulating Wall Board
Insulates, Decorates, Quiets Noise

MASSEY-HARRIS CO. LTD.
"Builders of Good Farm Implements"

INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED
Nickel — Inconel — Monel Metal

J. J. GIBBONS LIMITED
Advertising Agents
Montreal, Toronto, Winnipeg, Regina, Calgary, Vancouver
"Gibbons knows Canada"

NATIONAL CASH REGISTER COMPANY OF CANADA LIMITED
National Cash Registers, Accounting Machines, Check-writing and Signing Machines and Correct Posture Chairs.

NATIONAL STEEL CAR CORPORATION LIMITED
Hamilton — Montreal
"Specialists in Transportation Equipment"

THE ROBERT SIMPSON COMPANY LIMITED
"You'll enjoy shopping at Simpson's"

STANDARD SANITARY MFG. CO. LTD.
"Standard" Plumbing Fixtures
Modernization financed through
Heating & Plumbing Finance Ltd.

CANADA CEMENT COMPANY LIMITED
"Modernize With Cement"

UNITED STEEL CORPORATION
Modern Power Transmission Machinery
Dependable Conveying and Elevating Equipment

ANGLIN NORCROSS CORPORATION
Montreal LIMITED Toronto
"Building Construction"

BELL TELEPHONE COMPANY OF CANADA
"Continuous improvement in telephone service has made Canadians the world's greatest users."

CANADIAN AUTOMOBILE CHAMBER OF COMMERCE comprising:
Chrysler Corporation of Canada Limited
Chrysler, De Soto, Dodge and Plymouth Automobiles
Dodge and Fargo Motor Trucks
General Motors of Canada Limited
Chevrolet, Pontiac, Oldsmobile, Buick, La Salle and Cadillac Automobiles
Chevrolet and G.M.C. Motor Trucks
Hudson Motors of Canada Limited
Hudson and Terraplane Automobiles
International Harvester Co. of Canada Ltd.
International Motor Trucks

CANADIAN INGERSOLL-RAND COMPANY LIMITED
Air and Gas Compressors — Air, Steam and
Electric Hoists—Rock Drills and Accessories
Drill Steel and Sharpeners — Oil Furnaces
Grinders — Hose and Couplings — Crushers
Centrifugal and Direct-Acting Pumps—Pneu
matic Tools—Gasoline and Fuel Oil Engines
Vacuum Pumps

CANADIAN AIRWAYS LIMITED
Radio — Transport — Survey
Air bases throughout Canada

Mining Growth Depends Upon Power Supply

Ont. Hydro Has Almost Million Horsepower Available

BLAZING A TRAIL

It is hard to discover a mine.

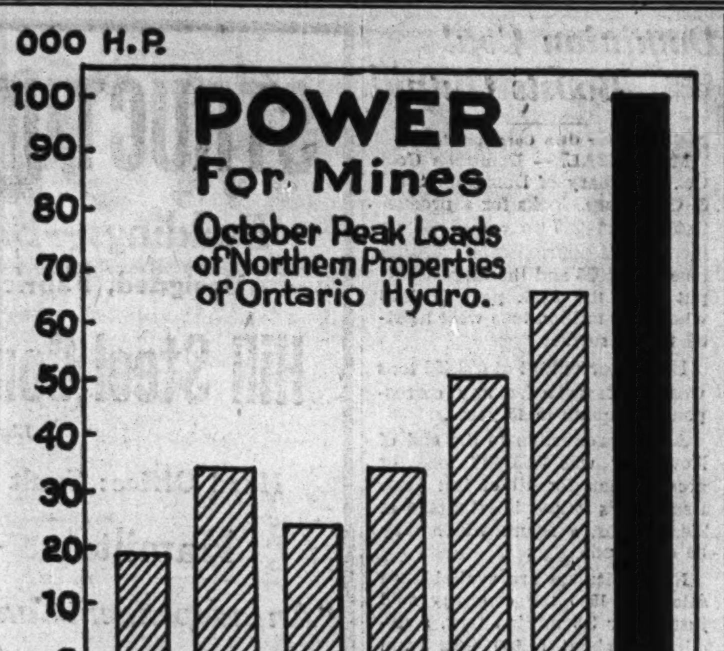
And to develop a profitable one is harder.

Without economical supplies of electric power the task of bringing mines into profitable production or expanding operations, would be next to impossible.

Consequently the rôle of the northern properties of the Hydro-Electric Power Commission of Ontario in expanding production of minerals from the northern fields is more important than may be generally realized.

The blazing of the power trail in northern Ontario has been a vital contribution to increasing production of gold and other metals. Six years ago the northern properties of the Ontario Hydro consisted only of the plants in Nipissing area, generating power south of the lake of that name. Excluding Manitoulin Island, the northern properties now consist of plants in six districts, the largest being the huge 275,000 h.p. installation at Abitibi Canyon.

The northern properties have already grown from the smallest to the third largest in power output of the various systems of the Ontario Hydro. The growth of the load in the north, largely in mining areas, is illustrated in the accompanying chart. The Hydro states officially that by the end of this year it will be supplying 84,000 h.p. to the mining industry and that the number of companies served has grown from 20 to 39 in the past year.



The significance of the expansion of northern power properties is that ample power has been made available in most of the mining areas. Additional installations are being made. The effect is to enable developing mines to obtain hydro-electric power at moderate rates, and with this power to start production under economical costs. As a result, the risk of making profits from newly-developed mines has been diminished. Also, such huge producers as International Nickel Co. have been able to expand operations economically.

To keep ahead of the growing demand for power in northern mineral areas, the Hydro only recently completed the Abitibi Canyon development. Additional power units are being installed at Ear Falls in the Patricia district and at Rat Rapids in the St. Joseph district. The reason for these new installations is indicated from the following tabulation of power loads:

Northern Ontario Hydro Properties
October Primary Power Peaks

District:	1936 h.p.	1935 h.p.	1931 h.p.
Nipissing	4,115	3,921	3,689
Sudbury	14,021	13,070	10,724
Abitibi	76,944	43,731	17,800
Espanola	101	547	....
Patricia	4,182	3,512	1,912
St. Joseph	1,702	1,314	....
Totals	101,065	66,095	34,125

The normal plant capacity at Ear Falls last year was 4,000 h.p. and at Rat Rapids it was only 1,000 h.p. The peak loads were actually above the rated capacity of the plants. This was due largely to the developments at Central Patricia Gold Mines and Pickle Crow Gold Mines which depend on Rat Rapids for power; and to increasing production of gold by such Red Lake companies as Howey, Red Lake Gold Shore, McKenzie Red Lake, which obtain their electricity from Ear Falls on the English River. Were it not for the Hydro's development of power, and additions to plants at these sites, production by these mining companies would be hampered. And new mines would be unable to get contract power which is essential to economical operations with modern mining equipment.

The Hydro has made generous supplies of power available in its Thunder Bay system which supplies large newsprint firms at the head of the lakes. This system's activities, in the recent depression of newsprint, have been materially assisted by development of such mining properties as Little Long Lac, Leitch Gold, Northern Empire and Sand River Gold. The power was ready first, however, and without it the mining developments at Little Long Lac would have been handicapped.

Serve Inco, Falconbridge

The Ontario Hydro has supplied power in Sudbury for some years, the chief mining customers served from the local plants being International Nickel Co. and Falconbridge Nickel Co. But the Hydro's most important participation in the expansion of mining in Sudbury and in other major mining areas of the north has been through its acquisition of the huge Abitibi Canyon development. This was started as Ontario Power Service Co. by Abitibi Power & Paper Co., one of the primary aims being to supply power cheaply to northern newsprint mills. When Abitibi sank deep into depression along with other paper manufacturers, it was unable to complete the power development and the Ontario Hydro took over the Abitibi Canyon project. It looked venturesome and it was, but the effect of this development by the Hydro has been to make available larger supplies of power at lower cost than would otherwise have been possible. The effect has been to permit much cheaper expansion of mining operations by companies like International Nickel, Falconbridge, Young Davidson, and many others than would otherwise have been possible.

Has Reserve Now

The Hydro's initial work on the Abitibi project was to complete the installation of two units rated at 110,000 h.p., but expansion of mining and recovery of newsprint activity in the north has necessitated completion of the project. Now there are five power units rated at 275,000 h.p. installed, and although all this power is not needed at the moment, much of it can be sold as low-priced secondary electricity. And the Hydro is in a position to supply increasing demands upon it in the north. Further development of mineral areas over hundreds of miles of territory is possible because of the accessibility of this large power supply at moderate rates.

Depend on Cheap Power

It is pointed out by T. C. James, assistant engineer of the Hydro in an article in the Commission's Bulletin that in the early stages of development mining properties must depend upon costly Diesel or steam-generated electricity to operate their mining machinery. This is only economical, of course, while the property is in the prospect stage. Once it is marked as worthy of substantial production, ample supplies of cheap power are necessary. And in the rocky areas of the north hydro-electric power is virtually the only large and cheap source of concentrated energy. Consequently, young mine properties must have Hydro power to get started into economical production.

It is estimated that potential sources of power on northern Ontario rivers would yield over two million horsepower. Present development is about 822,000 h.p. This is sufficient to meet most present requirements, and the potential sources hold promise for the further future development of mines in the north.

What will happen for these power developments when present mines are worked out?

It will take many years, of course, for mines now operating to exhaust their ore resources. And new mines have been developed at a faster rate in recent years than ever before. This may continue for some time. Thus there are many years ahead in which adequate power supplies will play an important part of the development of the northern mining industry.

Ultimately, of course, mining properties are exhausted. Dr. H. A. Innis of the University of Toronto suggests that the northern power developments stimulated by mining will ultimately be used, when the ores are depleted, for other industries, chiefly forest products. For the present, the economical power supplies of the Hydro are a boon to mining development, probably a necessity to allow substantial mining profits, and ultimately they may be used to maintain the northern areas as greater producers of forest products for the world.

Mines Increase Power Demand

Canada Northern Extends Operations to Meet Demand

Canadian Northern Power Company which feeds energy for the mining development of northwestern Quebec is being pressed to keep up with the demand for new power in the district.

Sensational projects of the past two years such as O'Brien, the Malartics, the Cadillacs and other promising ventures need an adequate supply of power if they are to be brought into profitable large-scale production, and Canada Northern is the source to which they turn.

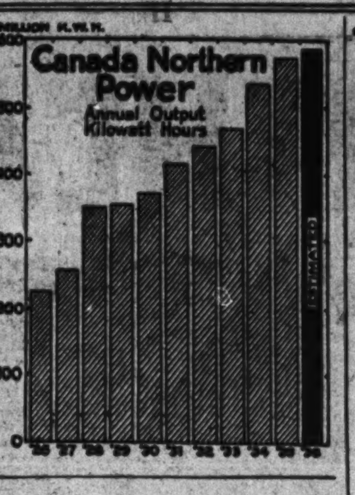
More Projects Planned

Other power projects are planned in northwestern Quebec, and though these may result in a temporary reduction in demand from customers in older areas, Canada Northern Power Company will continue in a well-established position to serve the new mines. These younger properties appear likely to require substantially increased amounts of power as they come into production.

The company is now feeding a district which includes the townships of Malartic, Dubuisson, Duparquet, Bourlamaque, Pascalis and Matachewan, names which are becoming increasingly well known wherever Canadian mining is of interest.

It has plants developing some 66,800 h.p. in northeastern Ontario, on the Montreal, Mattagami and Matabitchouan Rivers, and the Quebec plant rated at 40,000 h.p. is at Ka-Ka-Ke Falls on the Quinze River. Undeveloped horsepower is over 52,000 h.p. at the Ontario sites and 20,000 h.p. in Quebec. Thus the company is in a position to increase power supplies on its own sites. In 1933, however, it arranged to obtain power from the Abitibi Canyon project. Feeder lines have been erected to Arntfield Gold Mines, Kirkland Gold Belt, Canadian Kirkland and to the now famous O'Brien Gold Mines property. For the new Quebec fields east of Rouyn, a new 110,000-volt transmission line has been erected, extending power services to such properties as the huge Lamaque Gold Mines, to Canadian Malartic, McWatters, Thompson-Cadillac and Sullivan Consolidated.

The company's latest contracts have been with Central Cadillac Gold Mines and Canadian Gold Operators, both working just east of O'Brien Gold Mines. Bouscadillac Gold Mines, another developing property, is served by the company.



Spruce Falls Reduces Debt

Spruce Falls Power & Paper Co. has reduced the amount of its outstanding 5½% first mortgage bonds by $500,000 to $8.5 millions.

The company is understood to be operating at high levels of production in line with the newsprint industry in general. Although the peak production of the last quarter of 1936 is regarded to some extent as seasonal, it is expected the company's production and revenue will increase in 1937.

Preferred dividends have not been paid since 1932, and there is no immediate indication of resumption of these until the bank loan of over $1 million is reduced materially.

McMillan Officials Tour Property

President Says New Work on West River Will Bring Results

From Our Own Correspondent

SUDBURY.—A party of Buffalo business and financial men, accompanied by G. A. Foot, of Sudbury, president of McMillan Gold Mines, West River section, paid a visit to the property last week-end, and were impressed with the progress made since operations reopened early in November.

McMillan officials told The Financial Post that high-grade ore was being encountered, particularly in the drift and stope on the fifth level. Work has been started in opening up the fourth level, making four levels under development.

Previous work, officials stated, apparently had missed the main vein, and a good grade of ore was in sight on all levels.

The tonnage going to the mill has been increased to 110 tons daily, and President Foot states that this will be boosted to 125 tons shortly. It is hoped to keep costs down to $5 or less. Officials expect to pour the first brick shortly after the middle of December.

Inco Reopens Old Mond Mine

Will Explore Low-grade Possibilities of Garson Site

From Our Own Correspondent

SUDBURY.—The two reverberatory furnaces in the new smelter of the International Nickel Company at Copper Cliff have resulted in an increase of approximately 15% in production on their initial performance, Inco officials report.

The full possibilities of these furnaces and of the battery of converters will be seen only when an increased demand for nickel and copper brings them into full sway.

In the meantime, opening up of the new deep levels from the new No. 5 shaft at Creighton mine is proceeding, and early next year will see increased production of ore from this property. When the mine is fully equipped, Inco will be raising in all nearly 20,000 tons daily from its mines.

Anticipating future demands, also, Inco has taken another step in reopening Garson Mine, formerly owned by Mond Nickel Company and taken over by International when the merger was effected.

The Garson has been closed since 1931, when operations were halted with the drop in demand for the company's products as the economic depression hit the world. The renewed programme, for the present, is only a small operation. About 30 men are employed and the company announces it is the intention to thoroughly explore the mine's ore prospects, to determine whether it justifies only a cleaning up schedule or if the ore picture is sufficiently promising to undertake a more exhaustive scheme of development and production. The Garson Mine ore is of lower grade than that of International Nickel's present producing mines.

Add Wide Flanged Beams To Algoma Steel's Output

Continuing its programme of diversification Algoma Steel Corp. of Sault Ste. Marie announces the production of "H" section wide-flanged beams. This material is produced in the company's 30 inch rail and structural mill.

The production of these wide-flanged beams represents a wide departure in roll design and mill production. These beams have several special uses in the construction field and formerly had to be imported.

The new beams are produced by Algoma Steel in two weights. They are considered of the greatest value in the building field where wide flanges and consequent lateral strength permit them to replace other shapes of greater weight.

Yesterday's Visions are Today's Realities and Tomorrow's History~

We need our visionaries: their dreams point the way to progress. We need our producers: they materialize those dreams. We need our histories: they guide in building for the present and for the future.

THE courage and skill of prospector, mine operator, and manufacturer, whose teamwork is responsible for the development of new methods, processes and equipment, have wrought many changes in the Canadian mineral industry upon which the year 1936 now draws to a close. Many visions have become realities, and numerous are the records of success.

In her producing mines, collieries and quarries, and in her untapped stores of mineral wealth, Canada has a tremendous national asset.

During the past sixty-five years, the art of mining has been changed from a laborious, rule of thumb, and often risky undertaking, to an orderly, scientifically managed industry; an industry which has increased *per capita* wealth, colonized many sections of the world, accelerated industrial progress, and endowed man with countless benefits.

Dating from the introduction of the 'Rand' and 'Ingersoll' drills in 1870-71, Ingersoll-Rand has been closely and continuously identified with this movement, a policy that has resulted in the invention of many new and improved machines. These have shortened the hours and increased the daily output and remuneration of miner and mucker, and have made possible the working of remote properties and low-grade ores.

An instance is the modern drifting drill . . . the DA-35. Working steadily, it would drill through the earth's 8,000-mile diameter, given uniformly hard rock, in 65 years. Yet, the best of Simon Ingersoll's initial drills, invented only 65 years ago, would have taken more than 2,000 years to do the same job.

The growth of the Canadian Ingersoll-Rand Company Limited has closely paralleled that of the Canadian Mineral industry. This Company, manufacturing machinery, is always receptive to the ideas of men who make mines, with whom field representatives maintain a close and continuous association. Backing these field contacts are modern engineering and manufacturing facilities, at Sherbrooke, Que., which have been constantly enlarged to keep ahead of the industry's growing demands.

The result is that today Canadian Ingersoll-Rand products include equipment for practically every branch of the mining and metallurgical world.

In the onward march of modernization for economy, this Company's resources are always at your disposal.

This advertisement is published in the interests of modernization, and in conjunction with The Financial Post's portrayal of this trend.

Canadian Ingersoll-Rand Co. Limited

head office MONTREAL QUE. — *works* SHERBROOKE QUE.

branches SYDNEY-SHERBROOKE-MONTREAL-TORONTO-KIRKLAND LAKE-TIMMINS-WINNIPEG-NELSON-VANCOUVER

Progress in Mining Methods is Ceaseless

No industry in the world is quicker to take advantage of new and better methods than is Canada's mining industry. And no industry has better demonstrated the successful application of such a policy.

From a few dollars in placer gold values to many millions annually and the assurance of even greater and swifter development in the future, is the record, within a comparatively short time, of Canada's mining progress. This record could not have been achieved but for the readiness of mining executives to jettison obsolete and outmoded equipment in favour of new and better. New problems were solved as they were encountered. New progress paved the way for progress still to come.

TODAY THE FORWARD THRUST OF MINING DEVELOPMENT IS STEADILY ACCELERATING—ADOPTING NEW METHODS AS NEW PROBLEMS ARISE —— CONTINUALLY INCREASING ITS CONTRIBUTION TO CANADA'S PROGRESS.

So it is with the camp commissariat which has shown readiness to discard old methods when new and better methods appeared. And it, too, has witnessed and is witnessing continuous progress.

For practically a quarter of a century Crawley & McCracken Company Limited, "Canada's Biggest Cook," has been proud to be identified with Canada's mining industry. The part played by this company has been and is the feeding and caring for men away from home — no matter how remote operations may be from supplies and no matter what difficulties of terrain and weather are encountered. "Canada's Biggest Cook" keeps the workers healthy and happy and keen, and relieves busy executives of the worrisome details of camp management.

"The Biggest Cook"

CRAWLEY & McCRACKEN
COMPANY, LIMITED
MONTREAL

SUDBURY
TORONTO
NORTH BAY
COCHRANE
PORT ARTHUR
LONDON
CHAPLEAU
KENORA
SAULT STE. MARIE

HYDRO POWER

The following districts and mines are served by the Commission in Northern Ontario

ABITIBI CANYON DEVELOPMENT—
Bidgood Kirkland Gold Mines Limited
Central Patricia Mines Limited
Falconbridge Nickel Company
Glenora Gold Mines Limited
Hollinger Consolidated Gold Mines Limited —Young Davidson
Hollinger Consolidated Gold Mines Limited —Hislop
International Nickel Company (25-cycle—two contracts)
Matachewan Consolidated Mines Limited
Moffatt-Hall Mines Limited
Northern Canada Power Corporation
Omega Gold Mines Limited
Pamour Porcupine Mines Limited
Paymaster Consolidated Mines Limited
Vimy Gold Mine Limited

SUDBURY DISTRICT—
International Nickel Company
Falconbridge Nickel Company

ESPANOLA DISTRICT—
McMillan Gold Mine Limited

ST. JOSEPH DISTRICT—
Central Patricia Gold Mines Limited
Pickle Crow Gold Mines Limited

THUNDER BAY DISTRICT—
Leitch Gold Mines Limited
Little Long Lac Gold Mines Limited
Sand River Gold Mining Company Limited
Northern Empire Mines Limited

RED LAKE DISTRICT—
Howey Gold Mines Limited
McKenzie Red Lake Gold Mines Limited
Red Lake Gold Shore Mines Limited
Under Contract, but not yet served— Sept. 15, 1936—
Gold Eagle Gold Mines Limited
Madsen Red Lake Gold Mines Limited
Skookum Gold Mines Limited

KEY TO NORTHERN ONTARIO'S EXPANSION AND DEVELOPMENT

INDUSTRY follows Power. Nowhere is this so strikingly illustrated as in Northern Ontario. With the extension of power lines into new areas, new districts spring into being, new populations and new payrolls follow overnight.

As these new districts grow, the increased demand for food, clothing and manufactured goods stimulates and effects the prosperity and general well being of all Canada.

Hydro has kept pace with this ever-increasing demand for extending its services, particularly to those key industries — Mining and Newsprint which cannot exist without adequate power.

During the present year the Abitibi Canyon Development has been completed and five units are now installed. Additional units are being installed at Ear Falls and Rat Rapids Developments. Ninety-three miles of 110 kv. transmission line from Iroquois Falls to Kirkland Lake is under construction. A new 4500 kv-a transformer station is being installed in the Timmins district.

By the end of 1936, the Commission will be supplying approximately 84,000 h.p. to the Mining Industry in Northern Ontario, and it is estimated that Hydro will be serving thirty-nine mining properties which will be an increase of twenty over the year 1935.

Industry follows Power. Prosperity follows stimulated Industry.

The **HYDRO ELECTRIC POWER COMMISSION** *of Ontario*

HYDRO IS YOURS.......USE IT

$200-Millions Mark Seen in Gold Output

Canada's Production Will Increase by $84 Millions in Next Five Years, Hon. T. A. Crerar Predicts

The prediction that within five years Canada's gold production would total at least $200 millions was made by Hon. T. A. Crerar, minister of mines and natural resources, while addressing the 30th annual convention of the Association of Life Insurance Presidents in New York recently.

Mr. Crerar, outlining for his United States audience the achievements made by the Canadian mining industry, and the possibility for future growth, said:

"It was not until within the last 20 years that Canadians commenced to understand the possibilities in this field of wealth production. As a matter of fact, while efforts were made before the beginning of this century to acquire more detailed information about the geology of Canada, little or no attention was paid to it.

Geological Surveys

"During the last 10 years there has been increasing activity in geological surveys, and we can now appraise with a fair degree of accuracy our possibilities in this field.

"Geologically, there is a vast area commencing at the coast of Labrador, embracing more than three-quarters of each of the provinces of Quebec and Ontario, dipping down into northeastern Minnesota, taking in more than two-thirds of Manitoba, the greater part of northern Saskatchewan, and extending thence to the Arctic Ocean.

"This vast area is known as the Canadian shield, sometimes referred to as the pre-Cambrian shield. Though as yet comparatively little of it has been prospected, geological data indicate that much of it is mineralized.

"There are, in the province of Quebec, rich copper and gold mines, the whole development of which has taken place within the last 10 years.

"This province, for instance, 10 years ago produced $7,600 worth of gold. In the present year it will produce about $23 millions of gold, and enough is now known about the mining possibilities of Quebec to warrant the assumption that gold production will continue to expand for a good many years.

Gold Mining Camps

"In the northerly parts of eastern Ontario, we have two important gold mining camps in what is known as the Porcupine and Kirkland Lake areas. In the former, $425 millions in gold has been produced in the last 25 years, and in the latter camp, though of later origin, the annual production now is not far behind that of the Porcupine camp.

"At Sudbury, on the main line of the Canadian Pacific Railway, we have the International Nickel and Falconbridge Nickel mines, producing nickel, copper and gold, with some other precious metals, with ore reserves not by any means delimited, that guarantee it a life for a long period of years.

"Farther west, in Ontario, in what is known as the Central Patricia area, almost 100 miles from the railway, we have a gold production approaching $3 millions a year. Still farther west in Ontario, we have the Little Long Lac area and the Red Lake area, all these developed within the last few years, but with excellent promise.

Flin Flon Development

"In northern Manitoba development has been somewhat slower, but at Flin Flon, over 400 miles north of Winnipeg, one of the large mining developments of recent years has taken place, in the production of copper, gold and zinc. This company treats about 5,000 tons of ore daily and has a payroll of over $2½ millions a year. In the area east and north of Lake Winnipeg in Manitoba, several gold mines have been established within the last few years. Also, within the last two years there have been good gold discoveries in northwestern Saskatchewan and beyond. At least two gold mines, strongly financed by responsible companies, will be operating in this particular area within the next two years.

"Farther on, at Great Bear Lake, on the rim of the Arctic Circle, are found the mines from which silver and pitchblende concentrates are shipped by boat, airplane and railway transportation to Port Hope, near Toronto, where the radium and other metals are finally extracted.

Radium Price Lower

"The development of these pitchblende deposits and the consequent production of radium, it is interesting to note, has reduced the price of radium to one-third of what it was seven or eight years ago. When one considers the curative qualities of radium for certain malignant diseases, the boon this is to humanity can be readily understood.

"There is again another great mineral-bearing area in British Columbia. One of the great mining plants of the world is established at Trail in southern British Columbia. Here zinc, lead and silver are produced in large quantities. In other areas gold mining is carried on successfully, and in the Yukon, gold mining operations are going ahead and expanding steadily.

Coal Resources

"What I have said relates to the metal mining industry. Canada has, of course, immense quantities of coal, but not very well distributed, being mainly in Nova Scotia, Alberta, and British Columbia. Oil has been found in Alberta, but, so far, not in large quantities, although there is a reasonable basis for believing that it exists in large quantities. In other minerals we have asbestos and salt, bituminous sands, and others that need not here be mentioned.

"The total value of mineral production in Canada in 1935 was $312,344,457, the value of precious and commercial metals produced amounting to $222 millions. Of this, gold accounted for $116 millions, commercial metals—in copper, zinc, lead and nickel—$88 millions the remainder being made up of silver, platinum and other precious metals.

"It will thus be seen that not only in gold but in the useful and necessary commercial metals, such as copper, zinc, lead, and nickel, Canada is a large producer. Within the last few years, discoveries made indicate that in nickel, copper, and zinc, production can be further increased.

"There is another significant factor in connection with our metal mining operations. These, as I have indicated, are practically all in the northern parts of the provinces; but here also are found many of the great resources in water power, so that we usually find our mines developing not far from where the necessary power can be harnessed and provided for development. This, together with a few other factors, places our mining operations, especially in our base metals, among the cheapest in the world.

"The best evidence of this is that our large base metal producers, such as Noranda in Quebec, International Nickel in Ontario, the Hudson's Bay Mining and Smelting in northern Manitoba, and Consolidated Mining and Smelting at Trail in British Columbia, kept their plants in operation throughout the years of the depression, notwithstanding the low price in those years that commercial metals reached.

Gold Production

"I think it is reasonable to expect that within five years Canada's gold production will reach at least $200 millions annually, and perhaps $225 millions.

"This year it is estimated gold production will reach $133 millions, an increase of $17 millions. This is, of course, based on the existing price of $35 an ounce, as we are taking encouragement from the fact that the price is not likely to be reduced.

"We are living now in a metal age, and the uses for commercial metals such as Canada can produce in abundance are likely to expand. It might be added here that our mineral production of all kinds in Canada will probably this year reach $340 millions."

Iron and Steel $388 Millions

Canadian Output Rises 26 Per Cent in Past Year

Canada's iron and steel industry had a total output of $388.5 millions in 1935 according to preliminary figures issued from Ottawa last week. This is a gain of 26% over the corresponding figure in 1934 and is the highest value since 1930.

Of the $80 millions increase the largest share went to automobile manufacturing concerns whose output for the year rose $30.5 millions, an increase of 40%. Figures for other industries in the group are shown below.

The returns include 1,261 firms who report their financial product as being made of iron or steel. Average number of employees was 94,786, compared with 81,782 the previous year, while salaries and wages paid rose to $110.3 millions, compared to $88.9 millions in 1934. Capital employed was only slightly larger at $548.5 millions.

Foreign Trade

Imports of iron and steel products rose 20% to $112 millions, of which $86.5 millions came from the United States and $20.4 millions from the United Kingdom. Proportionately, British imports were slightly less than the previous year, representing 18% of the total. The ratio of U. S. imports rose slightly to 77%.

Canadian exports rose 36% to $50 millions, of which $11.4 millions went to the United Kingdom and $7 millions to the United States.

	1934	1935	Percentage chge.
Primary iron and steel	29,101	38,784	+33.2
Castings and forgings	35,128	30,305	—13.7
Boilers, tanks and engines	6,485	6,680	+ 3.0
Agricultural implements	8,817	13,673	+55.0
Machinery	26,072	31,316	+20.1
Automobiles	76,133	106,624	+40.0
Automobile parts	24,378	32,026	+31.3
Bicycles	1,033	1,272	+23.1
Railway rolling stock	34,352	41,213	+19.9
Heating and cooking apparatus	.....	10,187	....
Wire and wire goods	14,684	16,165	+10.0
Sheet metal products	30,910	33,621	+ 8.7
Hardware and tools	13,593	15,725	+15.6
Miscellaneous iron and steel	2,910	3,497	+20.1
Bridge and structural steel	4,700	7,446	+58.4
Total	308,296	388,534	

Cable Will Replace Open Line to North

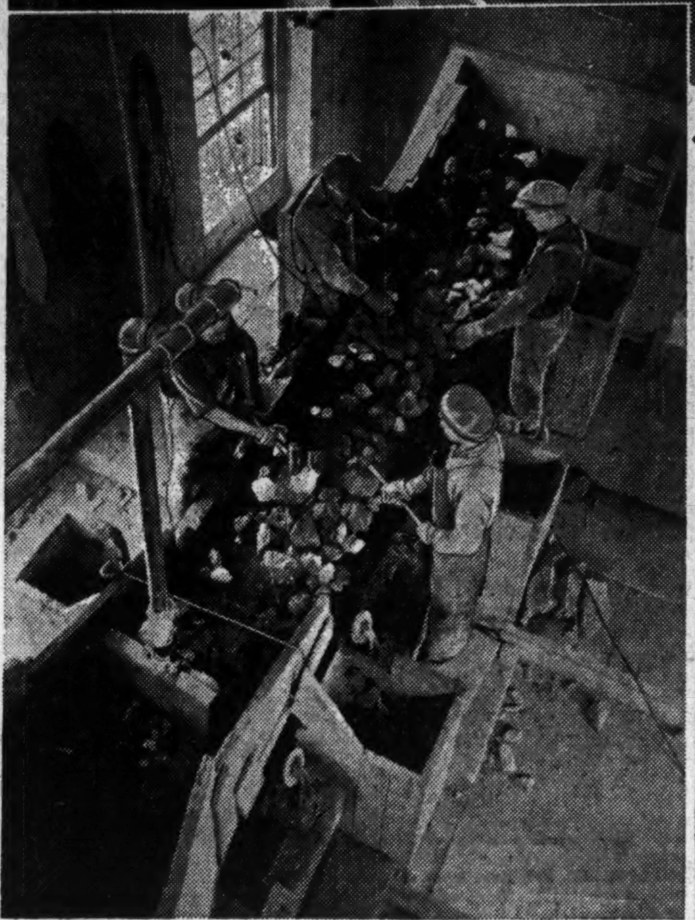
Toronto-Barrie Telephone Project To Be Finished by Next Fall

A toll cable service to replace open wire lines between Toronto and Barrie is being constructed by the Bell Telephone Company of Canada, and, it is hoped, will be in operation by the fall of 1937.

Completion of this cable, which involves an expenditure of approximately $450,000 and is one of the main projects in the 1936 capital programme will enable the company to handle a considerably larger volume of long distance calls between Toronto and the north. At present the main line from Toronto to Barrie is loaded to capacity, while three carrier systems are being used to supplement the service.

The cable will follow almost a direct line from Toronto to Barrie with cable branches to Richmond Hill, Radio Station CFRB, King, Aurora, Newmarket and Bradford. Other points such as Cookstown, Alliston and Schomberg will be taken into the cable by open-wire lines. Roads will be used for the greater part of the distance with aerial cable construction. Buried cable will be used for short distances only, where the roadway is not suitable for poles.

Chromium Mining & Smelting Corp. Ltd. is erecting a new unit to house electric furnace and other equipment at its plant in Sault Ste. Marie, Ont. A second addition is expected to be made in the spring, total cost of additions to range between $20,000 and $30,000, according to the Daily Commercial News and Building Record.



—Photos courtesy United Steel Corp.

IMPORTANT COGS

Mining is a continual war on costs. In this war, the smallest machine unit may loom tremendously important. A faulty cog, one inefficient part, may make the difference between profit and loss.

For one who has never been through a modern mine, it is difficult to conceive the variety of machinery entering into the treatment of the metal. This machinery supplies employment to many thousands in the urban sections of Canada. The accompanying photographs show how the ore is carried, by means of long belts, to the ball mill from the primary crushers. Sometimes pieces carrying free gold are sorted, as at the left. This machinery, this handling, goes on for 24 hours a day, 365 days in the year.

Construction Volume Maintained Per Month

Residential construction again contributed largely to total Canadian building in November. Though down seasonably from the previous month it was up $700,000 over Nov., 1935.

Favorable weather during the early part of November undoubtedly helped this development but behind it again is the increasing demand for new houses.

With other branches of construction also well maintained in November the total is up nearly $5 millions over the first 11 months of 1935. Details as supplied by MacLean Building Reports are as follows:

Construction Contracts Awarded

	November, 1936 No.	November, 1936 Value $	October, 1936 No.	October, 1936 Value $	November, 1935 No.	November, 1935 Value $
Apartments	23	409,000	22	490,000	14	282,600
Residences	1,165	3,803,000	1,561	4,586,900	924	3,220,900
Total residential	1,188	4,212,000	1,503	5,076,900	938	3,503,500
Churches	22	90,000	33	216,400	13	153,800
Public garages	80	231,100	105	439,600	50	162,200
Hospitals	4	255,200	8	101,400	5	267,700
Hotels and clubs	24	114,400	34	150,100	23	131,000
Office buildings	38	274,800	32	125,600	24	112,800
Public buildings	49	744,600	56	1,271,800	42	969,600
Schools	13	146,200	22	337,500	18	436,500
Stores	120	314,000	211	627,400	118	253,500
Theatres	14	265,500	183	520,800	5	83,500
Warehouses	48	301,000	76	709,700	27	211,400
Total business	412	2,736,400	590	4,300,300	325	2,782,000
Total industrial	92	975,400	100	1,239,600	50	638,800
Bridges	6	864,000	16	173,500	21	425,100
Dams and wharves	14	1,209,300	22	647,700	1	50,000
Sewers and watermains	16	155,200	37	288,700	18	182,300
Roads and streets	61	1,100,700	63	1,484,000	27	222,100
General engineering	59	2,627,400	62	1,746,500	25	487,000
Total engineering	156	5,916,600	200	4,340,400	92	1,366,800
Grand total	1,848	13,840,400	2,473	14,957,200	1,405	8,290,800

Total Contracts Awarded

	No.	Value $
11 months, 1936	20,190	156,469,200
11 months, 1935	18,169	155,940,100
11 months, 1934	15,925	119,749,300
11 months, 1933	12,617	89,082,200
11 months, 1932	13,857	128,682,300

B.C. Pulp Plans More Expansion

Bleached Sulphite Pulp Mill to Cost $500,000

From Our Own Correspondent

VANCOUVER.—Having just completed a $400,000 improvement programme at its Woodfibre and Port Alice mills, British Columbia Pulp & Paper Co. has decided to spend an additional $500,000 on expansion designed to adapt its production to new market trends.

There is an increased world demand for bleached pulp, which commands a much higher price than the unbleached as is used in rayon manufacture. The company's Woodfibre mill is being altered so that it will be able to produce this bleached pulp as well as the unbleached article which in the past has comprised its total output. The Port Alice mill is already equipped to manufacture bleached pulp, but the company foresees a big future for its sale and is planning its production policy accordingly.

Company's Plans

Steam turbines for use with the existing boilers at Woodfibre have already been ordered. Plans for the whole installation are now under way and it is hoped to have the work completed by the end of next May. Contract for the installation has not yet been awarded.

The market for pulp has been gradually improving for several months. B. C. Pulp & Paper Co. is now selling in the United States, Eastern Canada, Japan, China, Siam, India and England and thus meets world competition.

Plan Feeder Line For Ontario Gas Field

A gas purification plant and a 20-mile feeder line to be constructed to Southern Ontario Gas Company's main feeder line at Ingersoll are part of a $125,000 project in the Brownsville area of southwestern Ontario. The project is being financed by A. J. Aikens, Vineland, Ont., and will augment supply of gas to St. Thomas, Woodstock, Ingersoll, Galt and other southwestern Ontario centres.

Dominion Coal Boosts Output

From Our Own Correspondent

MONTREAL. — Dominion Coal Co., subsidiary of Dominion Steel & Coal Corp., looks for a production of 3,774,317 tons in 1936, an increase of approximately 500,000 tons over 1935 and the largest output since the peak year of 1929 when four million tons were hoisted to the surface.

November output at 353,456 tons was the largest for any corresponding month in 15 years.

Actual production to the end of November was 3,531,317 tons, or greater than for all of last year. December's output is estimated at 243,000 tons, a figure which may be exceeded.

No particulars are available on sales. In 1935 the company sold just under 3.8 million tons, a decline of about 81,500 tons from 1934 returns.

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Mine Operators in the Harricana District are using
ALUMINUM
Skips and Cages

Station 6, on 575 ft. level in Shawkey Mine with Aluminum cage built by E. Long Ltd., Orillia.

Aluminum Cage in new shaft at Greene Stabell Mine, built by E. Long Ltd., Orillia.

Light weight is an important factor in hoisting units

Mining men are aluminum conscious. Aluminum alloys are rapidly increasing and are instrumental in reducing weight of skips, cages and crossheads.

In the Harricana District in the Province of Quebec, Lamaque, Shawkey, Greene Stabell, Siscoe and Sullivan Mines are effecting a big saving in power requirements, increasing pay load and eliminating unnecessary dead weight by the use of aluminum alloys for cages and skips.

Aluminum for skips and cages gives the mine operator increased pay load at greater depth operation. The economy of light weight, on vertically moving equipment, is an argument in favor of Aluminum . . . that's why aluminum is used in the deeper mines.

The strong alloys of Aluminum are produced in the form of angles, channels, beam sections and flat sheets. Write the company at 158 Sterling Road, Toronto, Ont., for full particulars.

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EXPLOSIVES

QUEBEC Yields up
HER MINING RICHES—

Quebec stands as the second Province in Canada in the production of gold, producing some 470,471 fine ounces, valued at the sum of $16,555,874.00 for the year 1935.

As far back as one hundred and thirteen years ago Quebec produced gold. The production, however, consisted only of the small quantities recovered in the treatment of the lead and zinc ores of the Notre Dame-des-Anges district and from the gravels of the Chaudiere River.

After gold was found at Kirkland Lake, Ontario, in 1911, men pushed their canoes up the rivers which ran north instead of south and finally found themselves on Lake de Montigny in the Province of Quebec, located the district which now holds the Siscoe, Greene Stabell, Sullivan, Lamaque and other mines. Thus saw the first discovery of the great gold-bearing deposits of Northwestern Quebec. Then came the Great War. In 1921, Edmond Horne staked the mineral showing which afterwards became Noranda Mines Limited, the great copper-gold producer of Quebec.

The staking of Noranda Mines rivetted the attention of the world on Northwestern Quebec, and created another great mining rush. For hundreds of miles east from the Ontario-Quebec boundary, men pushed their canoes up and down the slow streams of Northern Quebec and across its flat lying lakes, hunting for copper and gold, and discovery after discovery was recorded. The activity resulted in serious interest being taken in the gold deposits round Lake de Montigny which had been staked in 1911, and they emerged from the coma into which the Great War had plunged them.

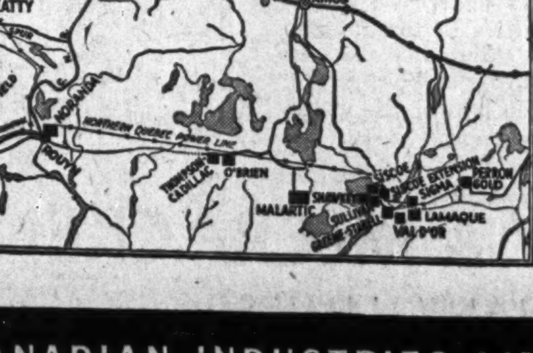
At this time, the aeroplane became the best means of transportation into the mining fields, giving to the prospector an important aid in conquering vast distances in a short time.

In the year 1911 only 613 fine ounces of gold were produced. This had a value of $12,672.00. According to recent figures Quebec's gold production for the month of June, 1936, was 58,267 ounces valued at $2,044,589.03.

We are pleased to be able to co-operate with the mine owners and prospectors in Quebec's rich mining heritage in supplying C-I-L Explosives, thus enabling them to carry on their work more efficiently and at a greater speed.

Magazines are maintained across the Dominion to render the fastest possible service in the delivery of C-I-L Explosives.

Our Technical Department is ready to assist on any problem relating to blasting operations.



CANADIAN INDUSTRIES LIMITED
EXPLOSIVES DIVISION
HEAD OFFICE MONTREAL
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Mining Leaves Trail Of Up-to-date Towns

Modern Buildings, Business Centres Transform Districts as Prospector Moves On — Population Figures Jump

Tents, trails and packsacks may be associated by the average man with mining but close behind the kind of finds which have been featuring the Canadian industry in recent years, come more permanent developments.

The pick is soon displaced by machinery, tents and boarding shacks give way to houses and stores and the trails are cleared, straightened and paved. A vast wave of construction follows the opening of any new mining centre.

After the prospector passes along in search of new fields a new and larger class of population appears. There are workers to sink the mine shafts, mechanics to set up and run the machinery, more workers to transport the ore. Simultaneously merchants arrive to look after the physical wants of the miners and their allies. Soon there are the beginnings of a town.

New Towns

Just what rapid population growth follows a mining find is indicated by the development of the following eight widely scattered Canadian mining centres:

MINING TOWNS' GROWTH

	Population 1935	1921
Quebec		
Noranda	4,000	700
Amos	3,000	1,400
Thetford Mines	10,400	7,800
Ontario		
Copper Cliff	4,000	2,600
Sudbury	22,116	8,600
Timmins	17,000	3,800
B.C.		
Rossland	3,000	2,100
Trail	8,000	3,000

Up 150%

During the past 15 years, these communities have shown an average increase of 150% in population and they are still growing.

The expansion registered is no unstable force. The eight communities selected to strike this average are all modern towns, of over 3,000 population, or full-fledged cities, of over 10,000 population.

If such communities as Geraldton, Jellicoe, Hudson, Bisset, Flin Flon, Goldfields, Rouyn, and a dozen others which have, in the past few years, sprung into vigorous existence, were included, the percentage would undoubtedly be much higher.

Solid Construction

Anyone who has visited these bustling mining communities is aware that they represent a wide advance over the old-time frame communities of Canada's pioneer mining days. Here are modern structures of steel and cement, with assessed values fully as high as those in the more densely populated areas of Canada.

Modern homes, hotels, stores, banks, and schools have been built, up-to-the-minute drainage and sewage disposal plants installed, and a note of permanence made evident.

Too strong emphasis cannot be laid on the fact that this is new construction. New wealth is involved and creates excellent markets for new products.

Naturally with the majority of the population in these new towns, young, aggressive and well paid, the bulk of the purchasing power gravitates toward the latest creations in commodities. New things catch on quickly.

Millions Out and In

With so many new towns and in several areas it is impossible to make more than mere guesses at total expenditures. But as millions have been taken out in gold, copper, nickel, etc., other millions have been poured in for permanent construction as well as current living. Sudbury, because it has been longer established than most mining towns and because it has suffered the full cycle of ups and downs, offers a striking illustration.

In the city itself between 400 and 500 new homes will have been built in 1936 alone, it is estimated, and there has been almost corresponding development in the surrounding territory. International Nickel Co. on capital expenditures mostly in new mining buildings, machinery, etc., will spend an even $10 millions.

Over the last eight years similar expenditures of this company and Sudbury's growth have been as follows:

	Inter. Nickel Capital Exp. $	Sudbury Population
1929	21,497,608	16,622
1930	12,328,918	20,100
1931	4,679,435	19,631
1932	535,652	18,352
1933	448,625	17,246
1934	2,395,258	20,079
1935	3,206,642	22,116
1936	10,000,000f	f25,000

f—Estimated.

Mining Proves Natural Ally To Air and Rail

Railways Gave Mining Its Start — Airplane Its Chance

A good case could be made for the statement that transportation made the mining of Canada.

Blasting the right-of-way for the transcontinental line of the C. P. R. uncovered the rich copper-nickel district of Sudbury.

Later, the construction of the T. & N. O. uncovered the silver deposits at Cobalt, and laid the foundation for fortunes which were to finance further exploration and further development of the mines.

In the past three years, the rail haul in mine products has advanced from 12 million to almost 23 million tons.

One company, the Consolidated Mining & Smelting Co., has paid annual freight bills averaging about $4 millions over the past 10 years. Freight bills paid by International Nickel Co. in 1935 amounted to $3.5 millions. In 1935 the revenue freight moved over the Temiskaming and Northern Ontario line amounted to well over a million tons, as compared with 676,000 tons in 1915.

Lowering for Years

This growth, noticeable across Canada, has been going on in years which would otherwise have been fairly close to disastrous for the Canadian railways.

Perhaps even more striking has been the alliance between commercial aviation in Canada and the mining industry.

John E. Hammell may be credited with having first utilized the airplane in mining. In 1926, time was limited, and considerable freight had to be rushed into the Red Lake area, some 120 miles, as the crow flies, northwest of Sioux Lookout, on the C.N.R. Hammell pressed airplanes into service, thereby launching what was later to become an important subsidiary Canadian industry.

Indispensable Aid

From then on, the airplane has served as an indispensable aid to the mining industry. Canadian mining men are today more air-conscious than any other profession. More air freight is being shipped into Chibougamau and Opemiska in Quebec. than to any other point in North America. Canada, although it has only one-tenth the population of the United States, is currently handling more than four times the amount of air freight.

To achieve all this, aviation had to prove that it was not only the fastest means of transportation, but also safe and dependable.

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Copper Future

Royal Bank Points to Bullish Picture

The probability that the 1936 world consumption of copper will be very close to that of the peak year, 1929, is noted in the Monthly Review of the Royal Bank of Canada. At present, the recovery demand for copper in United States, is lagging behind that in other parts of the world, where, in 1935, consumption was two-thirds above that in 1932.

"When it is remembered," the Review points out, "that the United States took approximately 50% of the total world output of copper in 1929, the significance of the reduced demand becomes apparent. The electrical industry is normally the largest consumer of copper and this industry has not increased its use of the metal in recent years. A large part of the present electrical equipment is obsolete and replacement must be undertaken in the near future.

R. P. Mills and Co. Opens Mining Brokerage House

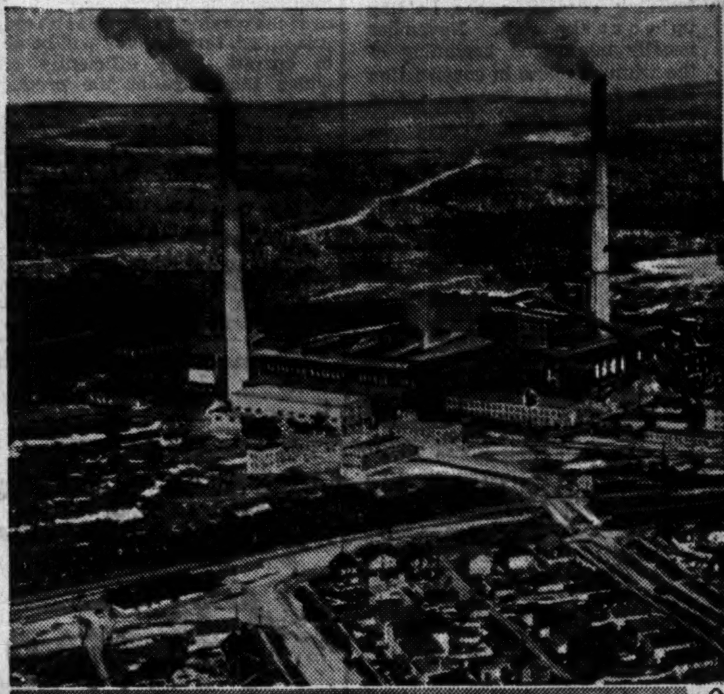
From Our Own Correspondent

MONTREAL.—The firm of R. P. Mills & Co. has been organized to transact general securities business, specializing in the better grade of mining issues. The firm is headed by R. P. Mills, president of M. P. R. Investments Ltd., and director of Mines Ltd., two holding companies for Canadian and United States mining securities.

NEW TOWNS — NEW MARKETS

One of the most powerful effects of the mining industry on the nation is the immense new market being created in areas which, a few years ago, were mere bush. These towns are inhabited by men and women who are well paid, and who spend their money freely. They thus enjoy a very real type of prosperity, even when depression has hit the manufacturing centres to the south.

Above are three typical towns. Upper view shows a small section of Kirkland Lake. Centre is a view of the Noranda plant at Noranda, Quebec, showing clearly how the town grows up around the parent operation. Bottom is a view of Timmins, Ontario, in the Porcupine area, from the air. The homes seen here are modern in every sense of the word.



Ontario Gold Output To Be Up Nearly 9%

Work on New Producers and Higher Grade Production Swells Figures in 9-month Period

Value of gold produced by Ontario mines in the first nine months of 1936 was $60,827,327, as compared with $56,509,689 in the first nine months of 1935, according to returns received by the Ontario Department of Mines.

The department estimates that 1936 bullion will be worth some $155,903,000 as against $142,888,565 last year.

Production of the Porcupine area with 10 mines rose from 24.7 to 26.1 millions of dollars. Kirkland Lake with 10 mines was up $343,330, increasing from 24.9 millions to 25.2 millions in value. Matachewan, owing to the closing down of the Ashley mine, was slightly lower in value of production this year, the decline, however, being more than balanced by the important gains made by other areas. The development of such areas as Little Long Lac and Pickle Crow improved the outlook of gold mining considerably, and this improvement will be more apparent with the continued favorable development not only of old properties in the Lake of the Woods area, but by new mines in Red Lake and in the eastern Kirkland section.

During the summer a lively staking rush took place in Kennebec township, Frontenac county, where a discovery of gold was made in a band of limestone. This property was taken under option by the Hollinger Consolidated, which is now making an examination of the find. Consolidated Smelters continued development work on the Cordova and the old Golden Fleece (Richrock) now called the Addington Mines, Ltd. A number of other properties have been explored by syndicates and companies in this area, and more than 500 mining claims were recorded during the period.

The following tables analyze, from government totals, the record of the various mines in Ontario in the second and third quarters of the year:

Vipond (Anglo-Huronian)

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	112,848	113,287
Tons milled	26,573	26,526
Recovery per ton ... $	4.25	4.27
Tons daily	289	291

Though not so long ago to be little more than a salvage proposition, this operation is receiving a new lease of life, owing to prospects at depth, as outlined at the annual meeting.

Buffalo Ankerite

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	496,893	425,455
Tons milled	69,753	62,640
Recovery per ton ... $	7.15	6.79
Tons daily	758	688

Alterations and changes at the south mill, completed in August, have already had effect on higher tonnage and higher recovery per ton in the third quarter. Tonnage is currently being raised to 900 per day.

Coniaurum

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	328,980	357,404
Tons milled	42,145	42,160
Recovery per ton ... $	7.81	8.48
Tons daily	458	463

In the nine months earnings statement of this company, it was shown that costs had been reduced slightly as compared with the second quarter but this reduction was more than offset by lower grade, noticeable in the above breakdown.

Dome

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	1,909,404	1,632,395
Tons milled	136,300	137,600
Recovery per ton ... $	13.61	11.86
Tons daily	1,470	1,462

Although tonnage remained about the same, Dome has made headway in raising its recovery per ton. In this regard, development below the 23rd level has been encouraging.

Gillies Lake-Porcupine*

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	27,710	28,108
Tons milled	5,663	4,025
Recovery per ton ... $	4.98	6.98
Tons daily	61	44

*Includes tailings.

An increase in the milling rate, but a sharp drop in recovery per ton is noticeable in the quarterly record of this company. Recovery per ton in the first quarter was $6.56.

Hollinger

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	3,464,140	3,868,390
Tons milled	426,897	455,149
Recovery per ton ... $	8.11	8.50
Tons daily	4,640	5,002

On the year, Hollinger will probably show a much higher grade than 1935. In the first six months of this year recovery per ton was $8.40, compared with $7.33 the previous year.

Hollinger (Ross)

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	37,305	86,975
Tons milled	6,162	7,427
Recovery per ton ... $	6.05	11.71
Tons daily	67	82

This Hislop operation had a striking second quarter, which tends to overemphasize third quarter decline. At $6.05 per ton, however, recovery is well ahead of the first quarter figure.

McIntyre Porcupine

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	2,186,115	2,026,377
Tons milled	216,600	215,300
Recovery per ton ... $	10.09	9.41
Tons daily	2,354	2,366

McIntyre continues to increase the grade of ore passing through the mill. This grade has improved every quarter this year, making McIntyre rank next to Dome in the Porcupine field, for grade.

Pamour*

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	287,020	116,336
Tons milled	49,554	23,073
Recovery per ton ... $	5.79	5.04
Tons daily	537	....

*Mill started May, 1936.

This Noranda-sponsored venture is hitting its stride, with a comfortable increase in recovery per ton, and average milling rate for the third quarter of 537 tons per day.

Paymaster

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	260,126	229,001
Tons milled	35,610	35,140
Recovery per ton ... $	7.30	6.52
Tons daily	387	386

While mill rate remained the same, there is a striking increase in recovery per ton at this property in the third quarter. Increased milling is now under way, October average per day being 425 tons.

Bidgood

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	92,556	111,460
Tons milled	6,819	7,005
Recovery per ton ... $	13.57	15.91
Tons daily	74	77

Grade is still over the first quarter average, although rather disappointing in the third quarter. A few weeks ago, the management reported that the mill was handling 90 to 100 tons per day, which should materially increase the year's gross.

Kirkland Lake Gold

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	170,045	161,560
Tons milled	26,958	21,829
Recovery per ton ... $	6.31	8.32
Tons daily	293	240

It is possible that the new ore reported in August as having been encountered on the 3,600-ft. level of the old property might help this company in raising the recovery in the current quarter. Mill tonnage has been increased.

Lake Shore

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	3,672,783	4,096,812
Tons milled	211,883	227,712
Recovery per ton ... $	17.33	17.96
Tons daily	2,303	2,502

There is not much change in the performance of this famed producer which continues to turn out gold to the tune of some $16 millions every year. Tonnage and grade remain fairly steady.

Macassa

	3rd quar. 1936	2nd quar. 1935
Total recovery ..... $	313,351	305,967
Tons milled	17,703	17,028
Recovery per ton ... $	17.70	17.96
Tons daily	192	187

In the first six months of last year, the recovery per ton at this property was $15.59. This indicates partly the improved outlook, the other indication being improvement underground.

Sylvanite

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	516,649	500,724
Tons milled	41,398	39,327
Recovery per ton ... $	12.49	12.73
Tons daily	450	432

Sylvanite maintains an even tonnage and even grade. It is probable that the year will show increased output, however.

Teck-Hughes

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	1,201,678	1,236,042
Tons milled	111,821	101,952
Recovery per ton ... $	10.75	12.12
Tons daily	1,215	1,120

In the third quarter some 19,000 tons of tailings were treated, which probably accounts for the decline in recovery per ton.

Toburn

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	198,849	170,304
Tons milled	9,275	8,915
Recovery per ton ... $	21.44	19.10
Tons daily	101	96

All round improvement is noticeable at this Premier subsidiary. Grade is up considerably, as well as tonnage. Recent developments underground are reported as encouraging, which makes a fairly complete picture.

Wright-Hargreaves

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	1,113,979	1,866,881
Tons milled	100,550	97,720
Recovery per ton ... $	18.79	19.12
Tons daily	1,093	1,074

The recovery per ton in 1936 will be slightly lower than the 1935 average, unless considerably higher grade is treated in the last quarter of the year. This is in keeping with the company's policy of mining out the upper levels.

Omega

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	148,107	86,528
Tons milled	32,208	28,509
Recovery per ton ... $	4.60	3.03
Tons daily	350	313

Striking increase in grade is noticeable at this Castle-Trethewey property, which started production last February. It is establishing itself as a paying proposition.

Ashley*

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	26,846	45,967
Tons milled	1,318	7,456
Recovery per ton ... $	20.37	6.16
Tons daily	14	82

*Clean-up operations.

The figures for the two quarters are not comparable inasmuch as the third quarter represents only the final operations at this subsidiary of Mining Corp. All work was suspended early in September.

Matachewan Consolidated

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	107,113	101,719
Tons milled	13,563	*13,603
Recovery per ton ... $	7.90	7.48
Tons daily	147	149

Operating profit in the third quarter of the year decreased, in spite of increased tonnage, because of the fact that development costs were high. Actual operating costs, however, were reduced slightly.

Young-Davidson

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	208,933	209,361
Tons milled	78,113	77,574
Recovery per ton ... $	2.67	2.70
Tons daily	849	852

This low-grade Hollinger subsidiary continues to maintain a recovery which has been shown to be profitable. Since the end of the third quarter, grade is reported to be running at around $3.20 per ton, an improvement of 40 cents.

Bousquet*

	9 mos. ended Sept. 30
Total recovery .... $	44,217
Tons milled	5,296
Recovery per ton .... $	8.34
Tons daily	161

*Mill started toward end of May.

Milling at this prospect has not been of sufficient duration to add much significance to the above figures.

Algold*

Total recovery .... $	5,076
Tons milled	1,418
Recovery per ton .... $	3.58
Tons daily	....

*From commencement of operations in February.

Although this property tuned up its mill in February, there have been several shutdowns, with the result that the first brick was not poured until August.

Algoma Summit*

Total recovery .... $	8,516
Tons milled	2,711
Recovery per ton .... $	3.14
Tons daily	....

*Bullion shipments only. Management reports concentrates recovered but not shipped.

Algoma is currently preparing to start up its new 500-ton capacity mill.

Darwin

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	48,048	56,872
Tons milled	4,913	3,928
Recovery per ton ... $	9.78	14.98
Tons daily	53	43

As might be expected, grade shows a decline in the third quarter at Darwin. Since then, however, the company reports favorable results from underground work, which will probably be reflected in future quarterly statements.

Minto

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	32,094	45,162
Tons milled	10,025	10,234
Recovery per ton ... $	3.20	4.41
Tons daily	109	112

This privately owned proposition has shown decline in recovery per ton, but is reported to be making small profits.

Parkhill

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	96,650	84,173
Tons milled	5,728	5,264
Recovery per ton ... $	16.87	15.99
Tons daily	62	58

Operations at this property, although still responsible for only a modest profit, have shown improvement each quarter this year. Recovery per ton for the first quarter was $14.19.

Ardeen

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	66,189	65,196
Tons milled	10,645	10,144
Recovery per ton ... $	6.22	6.42
Tons daily	115	111

Ardeen is maintaining the improvement first noticeable in the second quarter, as the result of better ore on the lower levels of the mine.

Little Long Lac

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	424,036	348,557
Tons milled	22,380	19,810
Recovery per ton ... $	18.95	17.60
Tons daily	243	218

Grade, tonnage, and, of course, gross recovery continue to improve at this property, as rumors of an increase in mill capacity continue to be heard.

North Shores

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	7,328	7,896
Tons milled	719	665
Recovery per ton ... $	10.20	11.87
Tons daily	7	7

There has been little change in the record of North Shores, although 1936 gross should show some improvement over the 1935 figure.

Northern Empire

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	280,069	269,563
Tons milled	15,246	16,941
Recovery per ton ... $	18.36	15.91
Tons daily	165	186

This Newmont-controlled operation has been steadily increasing the grade of ore going to the mill. The increase in the third quarter is striking.

St. Anthony

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	39,692	38,518
Tons milled	8,781	6,421
Recovery per ton ... $	4.52	6.00
Tons daily	95	71

In recovery per ton, this is the worst quarter so far this year for this property. It is doubtful if much profit could be shown at this grade.

Tasheta*

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	26,529	78,350
Tons milled	6,495	7,083
Recovery per ton ... $	4.08	11.06
Tons daily	71	78

*Excludes value of copper marketed.

The drop in grade noticeable this year reflects disappointing ore conditions at this property. Officials are still hopeful, however, that deep development will bring better conditions.

Kenora Prospectors

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	54,543	29,024
Tons milled	3,836	2,971
Recovery per ton ... $	14.22	9.77
Tons daily	42	33

Sharp changes in production record appear at this producer, as additional milling facilities come into effect. The grade improvement is encouraging. Ventures hold an interest.

Wendigo

	3rd quar. 1936	2nd quar. 1936
Total recovery ..... $	45,064	24,670
Tons milled	2,029	3,759
Recovery per ton ... $	22.22	6.56
Tons daily	22	41

Recovery per ton shows a sharp increase at Wendigo, as the mill swings away from dump ore and starts on the profitable grade.

Argosy*

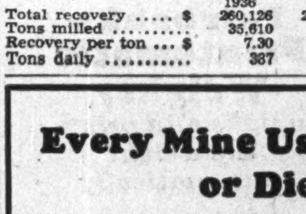
Total recovery .... $	44,149
Tons milled	5,187
Recovery per ton .... $	8.51
Tons daily	....

*Mill tuned up July, 1936. Returns cover period from July to Sept 30, 1936.

This grade at commencement of

(Continued on page 22)

Every Mine Uses Air Compressors or Diesel Engines



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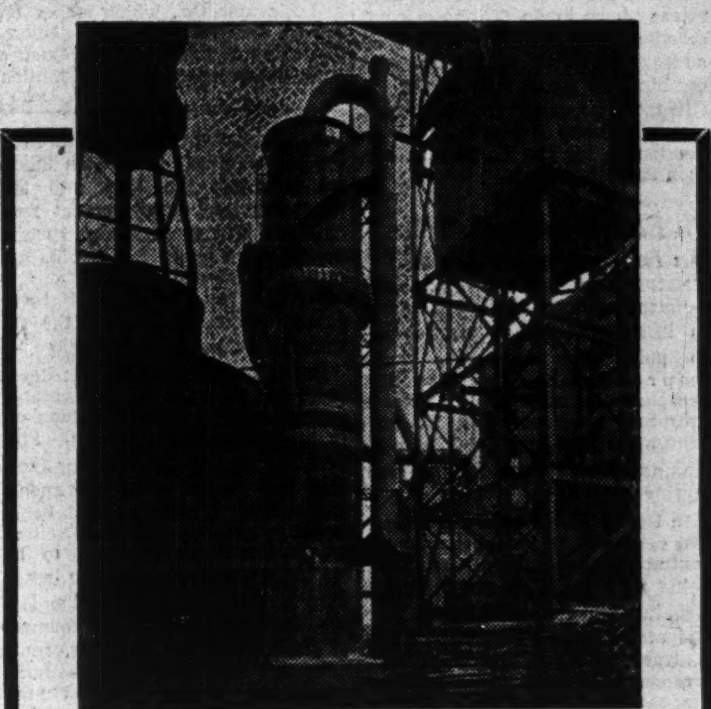

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In The Construction World

IN THE first two weeks operation of the new Home Improvement Plan of the National Employment Commission, 865 loans have been made by the banks, involving a total of approximately $325,000. These figures may prove disappointing to those who predicted an immediate wave of construction to follow the inauguration of low cost modernization loans on Nov. 1. But to the bankers who handed over the money and other observers it is about as expected.

In the first place details of the plan have not been fully disseminated, secondly the peak season for most of the home improvements contemplated necessarily occurs in the spring and summer months not those of early winter, and finally the authorities as well as the loan consumers are both feeling their way along a brand new path. Certain revisions will be found necessary as unforeseen situations arise.

Indeed some of the revisions have already been made. To the original scheme, farm buildings have been added, and small apartments and combination home and stores. A still more important revision which now eliminates a personal trip to the banks by the borrowers has been made this week.

• • •

To Eliminate Bank Trip On Improvement Loans?

CONTRACTORS and equipment manufacturers with experience in installment selling were quick to point out when the Home Improvement Plan was first broached that sales would be lost if prospects were not sold the improvement idea and the loan plan simultaneously with the banker merely consenting.

In United States a similar scheme was pushed in this manner with the contractor or equipment salesmen doing all the selling and getting a signature which applied for the loan and at the same time awarded the contract in a single operation. Bank arrangements were made later by the salesmen only. This plan is being operated by a financing subsidiary of a Canadian heating equipment firm and it is now incorporated in the general plan. Such a move assures a trained sales force behind the loans and the way is paved toward maximum construction results.

• • •

Horizon Is Clearing In Real Estate Investments

THOUGH still feeling decidedly the effects of the recent depression, the horizon for commercial real estate in Canada is clearing. Importance to the construction field, of course, lies in the fact that no new building of office and apartment properties can be expected on a large scale until existing accommodation is well and profitably filled.

Of real estate properties in Canada in which there is an investment interest, a fair number have started paying interest on their indebtedness in 1936 after a lapse of several years. Moreover, of a still larger number which commenced to pay again in 1935, nearly all have continued to do so in the current year.

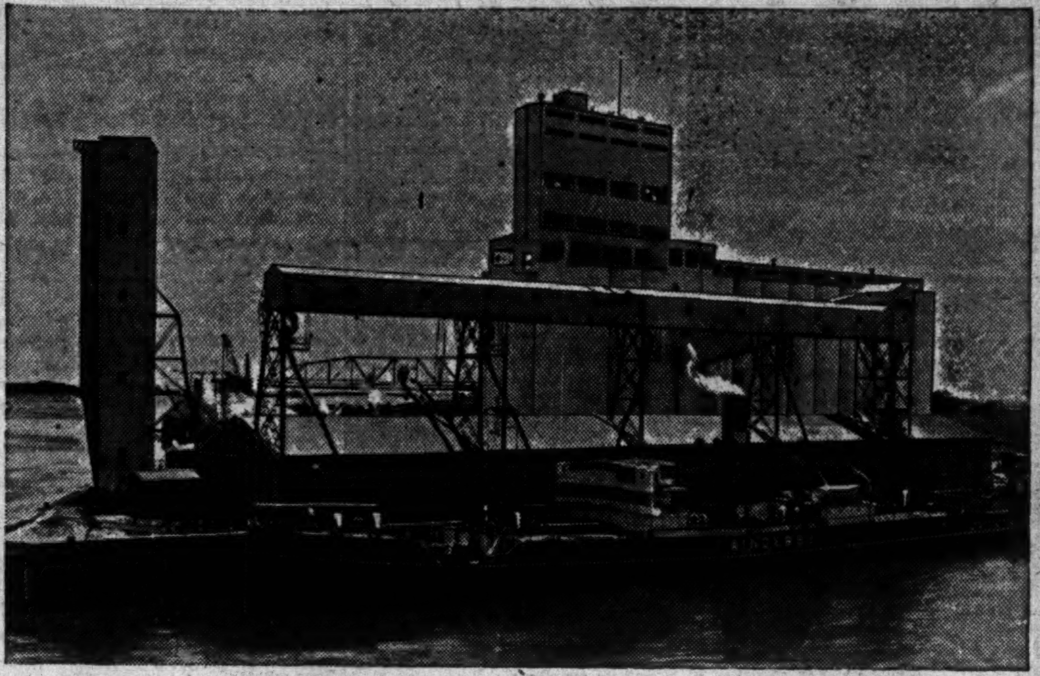
In addition several unfinished properties, notably the Victory and Park Plaza buildings in Toronto, have finally found buyers able to finance completion. Unfortunately bondholders in the two properties mentioned, it is true, got little or nothing out of their investment but the menace to prospective and existing new building has either been removed or can now be accurately appraised.

• • •

Fewer Vacancies and Less Debt

WHILE improvement in profits from commercial real estate has not been as rapid as some investors might desire, it is important to remember that considerable and often unnoticed progress has been made toward that vital objective of restored public confidence. Several of the companies which had negotiated financing through the sale of bonds carried on interest payments too long into the depression and after current revenue no longer warranted such a policy. As a result tax arrears got into bad shape. In not a few cases it is the paying off of these arrears which is delaying the resumption of bond interest today.

But this reducing of indebtedness must be regarded as a favorable development as is also the increase in the percentage of tenants. Figures reported in the last year indicate that vacancies in apartments and office buildings are being steadily reduced. In some cities, indeed, they are reported to be lower than average and even better than in the boom days of the late 20's. Unfortunately for the owners of these buildings, however, rents have not improved in the same proportion. During the last year there has been a rising tendency but the average paid for office space in most cities is still believed to be from 20 to 35% below the 1929 rates.



THREE RIVERS ELEVATOR

New $700,000 structure recently completed for Three Rivers Grain and Elevator Co., which stands on the St. Lawrence at Three Rivers. This elevator, the first at this Quebec port, has a capacity of two million bushels. It will handle cargoes of wheat and other grain from lower lake and St. Lawrence grain boats and receive incoming cargoes of grain. At present corn from the Argentine is being stored. It is of concrete construction on wooden piles. The new elevator was built by Carter-Halls-Aldinger Co., general contractors, in co-operation with the C. D. Howe Co., consulting engineers.

Rent $14

Montreal Agencies Complete Study Of Housing Scheme

From Our Own Correspondent

MONTREAL.—A comprehensive housing scheme designed to care for low wage groups, particularly family units earning between $50 and $75 per month, has been prepared for the Montreal Council of Social Agencies.

Features of the study are:

Evidence adduced to show the relationship between proper housing and the proper social and physical development of the population.

The average rental of $25 to $30 per month, conforming to present standards, is found to be almost twice the capacity of the low wage-earners to pay.

For the low wage-earners, tenancy as opposed to home ownership is favored.

The housing scheme must be protected by adequate town planning legislation.

Participation of the Federal Government is recommended to secure reasonable uniformity throughout the country, and to make available its borrowing powers to obtain money at low rates of interest.

Suggest Three Types

Based on the various facts adduced and recognizing that State assistance might not be forthcoming, the committee sets out three types of houses which might be constructed to rent at the desired figure. The costs of the three are:

"A" type—$1,450—rentals $14;
"B" type—$1,700—rental, $16.40;
"C" type—$2,016 or $2,061—rental $19.50 to $21.25.

These figures include the cost of the land and all carrying charges, and return a rate of 3% on rental.

Conservative Progress Features House Building

Few Outward Changes in Canadian Residential Construction This Year But Many Improvements Within — More Complete Jobs

BY GORDON LINDSAY

In residential building, the leading branch of construction to show substantial progress this year, the Canadian public has again demonstrated the fact that it is conservative, but at the same time open to labor and money saving ideas.

Revolutionary exterior designs, while dominating the many architectural competitions which have been staged throughout 1936, do not seem to have gained in popularity with the actual builder. True there have been a few new flat roofed houses constructed and also some embracing unusual color contrasts. A little more use has been made of new materials for ornamental effects. But outwardly this small development sums up so-called progress in the year now closing.

Big Inner Changes

Beneath the surface, however, there have been changes and very considerable ones. The average buyer is no longer satisfied with an attractive outer wall. He will probably demand or expect such, but he also wants to know something of what is behind the wall. First cost of a house, he now realizes, is not the only one. He is going to have to live within his purchase for the next 10 or perhaps 30 years. In addition to mortgage costs and taxes, other upkeep items will also have to be estimated. Above all the buyer does not want to see a large proportion of expensively generated heat radiate through roofs and walls, adding to his fuel bills but not to his physical comfort.

Interested in Insulation

Certainly one feature of the residential building season in 1936 has been the new interest of the purchaser in insulation. As a result probably at least half of the new houses built in Canada during last summer and fall have used some kind of insulation. It would seem that the day is not far distant when all builders will follow the example. Already some municipal councils are considering adding insulation regulations to their building by-laws. Hitherto these by-laws have largely concerned themselves with structural strength and fire resistance, apparently ignoring entirely maintenance costs and comfort.

Heavy Sales of Insulation Products

The general public seems at last to have become insulation minded. Not only is heat conserving material going into new building on a steadily expanding scale, but large quantities are also being used in existing structures. Though it is often impossible, except at considerable expense, to fully insulate a house or other building already constructed, treatment of the attic, where the chief loss occurs is an inexpensive operation. It can usually be carried out in a few hours and without mess or interference with the rest of the house.

Sales of insulation products have mounted steadily and promise in the current year to establish an all-time record. Though complete figures, are not available because of the multiplicity of materials used—various types of wall boards, gypsum, asbestos, cork, spun glass, etc.—nevertheless, as reported from time to time in The Financial Post, totals for those lines tabulated show large expansion. In most cases consumption of insulation products for the first nine months of 1936 has been larger than for the whole of 1935 and is about double the total for 1933. As new residential building does not show anything like such acceleration the natural conclusion is more insulation is being used in construction.

Reason for this awakened interest in insulation, of course, is primarily the saving in winter fuel. Such saving is estimated at 25% to 35% in most parts of Canada. Often it will be sufficient to permit the home owner to install a more costly type of heating apparatus or air-conditioning at no more than annual cost of the older system in a non-insulated home.

More Permanent Materials

In keeping with the lower maintenance objective, there has also been a gain in interest in other building materials of a permanent nature, such as copper eavestroughing, brass pipes in plumbing; materials that are largely of first cost only. Too much exposed woodwork, which necessarily requires frequent painting, is not wanted. This is one of the factors behind increasing popularity of tiled and stoned floors for porches and sunrooms.

Under low maintenance has come a more liberal electric wiring of the smaller houses. A decade or two ago contractors were keen on saving a few dollars by eliminating outlets as far as they dared and by placing switches where the wire happened to pass down the wall, rather than where convenient. That sort of work seldom appears in the houses of today. There will be at least one electrical outlet in every room and up to half a dozen in living rooms and kitchens. The future expensive jobs of installing these outlets in a house already built will thus be eliminated.

Glass has made much headway. While there are exceptions, the modern house as a rule is more generous with the size of the windows. Some of the later ones, in fact, have the whole sidewall in rooms overlooking the garden of this material. It has the effect of bringing the outdoor right into the living room without also the chill or rain accompanying that outdoors when the weather is unfavorable.

Large corner windows lighting a stairway or hall have also been adopted, though the cost of properly insulating these has proved something of a handicap. Double glazing with either wooden or steel sash and the coming new material with a sealed-in air space, however, are doing much to solve the problem of window insulation.

A fairly new departure in the glass field has been structural bricks known to artistic members of the trade as translucent masonry. These come in various sizes, are about 80 per cent transparent, and strong enough to fit in the wall without any frames. As they are hollow, they are self insulating. In houses they are being extensively used for lighting basements, and wash rooms where full visibility is not desirable. They are also being incorporated for panel effects in living or dining rooms particularly in walls which flank driveways, drying yards or other places where a clear view is not attractive.

Some headway has been made in metals, but mostly as already mentioned, of the practical sorts as rust proof materials in plumbing and other fixtures. Along this line, too, window frames of this material have gained ground. Ornamentally, metals have invaded the field once exclusively held by wooden banisters and railings.

Though a good deal has been heard of prefabricated and portable houses both here and in the United States, the idea has gained little real headway throughout the year. The day may come when one will 'phone for a house and have it delivered and ready for occupany by afternoon and where additional rooms can be ordered to come along with the stork, but that time has not arrived yet. Apparently the prefabricated house will have to be offered at a very substantial saving in price over the orthodox model before any serious competition will result.

Better Designing

Improved interior designing, particularly in the low-priced fields, has undoubtedly resulted from the housing competition conducted under the auspices of the Dominion Housing Act and by similar competitions following. Though space utilization was carried to such extremes that low cost basements were left unexcavated in some instances, at the same time the stress placed on this factor has proved useful. No longer will good, full-height interior space in upper floors be devoted to clothes closets when room under the eaves is available. In the same connection, too, architects have stressed the importance of proper provision for furniture and for convenience in doors and stairways.

Whereas moving into a new house 10 years ago, meant a general upheaval and months of settling, the modern contractor has endeavored to reduce this disturbance to the minimum. The whole structure, in addition to being left spick and span by the builders, has much that only "lived in" houses acquired in the old days. Basement ceilings are plastered. Heating, plumbing and wiring systems are ready to function instantly. Attics, walls and windows are insulated. Often ranges and refrigerators are installed. Kitchens have built-in cupboards, clothes closets are finished with hangers and hooks.

No Falling Off In U.S. Building

Even more so than Canada, construction continues to maintain volume in the United States despite the lateness of the season. Returns from 37 states show residential building running 11% ahead of October and over 100% over the rate of a year ago. Other building operations are holding up equally well. November usually marks the beginning of the winter decline in construction but so far in the Eastern States there has been no slackening.

Drummond St. Realty Action Awaits Meeting

The injunction bought by A. F. Byers & Co. against Drummond Street Realty Corp., Montreal, has not yet been argued and it is understood that no further action will be taken until the time of the annual meeting. No bond interest has been paid so far in the current year.

Modernization Programme Planned by Nat. Sewer Pipe

Directors of National Sewer Pipe Co. have approved of a recommendation of the management to proceed with the expenditure of approximately $225,000 to modernize the company's plants at Hamilton, Aldershot and Swansea, Ont. Scrapping of obsolete equipment valued at $95,000 is contemplated.

It is understood these improvements will be undertaken gradually over the coming year and as a result, it is stated, the company will be able to operate more efficiently and widen the range of the products manufactured.

Principal products manufactured by the company at present are vitrified clay, sewage tile, chimney flue linings, etc.

Wellington Building Corp.

It is expected the bond interest coupons due Jan. 5, 1933, on the Wellington Building Corp. will be paid during the current month.

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THE FINANCIAL POST

SECOND SECTION

Vol. XXX Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, DECEMBER 12, 1936 10c a Copy; $5.00 a Year No

Recent Oil Strikes Renewing Interest In Turner District

Success of Foundation and Sterling May Start Boom

REACTION ON 'CHANGE

Attention of Canadian oil interests and speculators alike is focused this week on a circle on the map of Alberta some three miles in diameter and on two spots within this circle where wells recently brought in have proved that they can be classed as crude producers.

Apparent success of Foundation Pete and Royalite Sterling on the west flank of Turner Valley has made further exploratory work in this area inevitable and the Calgary Stock Exchange is already experiencing an old time oil boom.

The two wells, situated within three miles of each other complete a crescent of crude producers in the Turner Valley field with Dalhousie 8 on the northern point and Westside Royalties on the south.

This crescent in turn can form part of a straight line drawn from the Manitoba field southeast through Montana, Wyoming and down to Oklahoma which cuts across oil fields of each province.

Estimates Guesswork

Estimates of the production of Foundation and Royalite Sterling are still in the guesswork stage. Oil men agree that Foundation is likely to prove a larger producer than Turner Valley Royalties which in October this year had an output of 23,522 barrels. D. Austin Lane, secretary of the Oil and Gas Association of Alberta has estimated that it should increase Alberta's production by at least 25,000 barrels a month.

As is the case with all rotary drilled wells and particularly those with a small gas flow Foundation is taking a long time to clear itself of the rotary mud forced into the porous lime horizon during drilling operations. Turner Valley Royalties had a remarkably small gas flow and the same condition prevails at Foundation. The well, at last report, was still blowing rotary fluid, gas and crude oil of 49 degrees gravity into the air. It will not be placed in production until the rotary fluid is cleared entirely and until it is placed on test no accurate estimate can be made.

Royalite-Sterling

In the case of Royalite-Sterling Pacific 3, the gas flow seems to be even smaller than at Foundation or Turner Valley Royalties. When last reported, the level of the rotary fluid was 4,200 feet from the top of the hole and continued bailing failed to lower that level. The well is approximately 6,800 feet deep and 542 feet of this is in the limestone. Royalite-Sterling Pacific 3, however, is expected to develop into a good crude producer and thereby extend the proven crude oil area of Turner Valley.

The Sterling-Pacific company was absorbed by the Royalite company, Imperial subsidiary, in 1934 on a basis of 25 shares of Sterling-Pacific for one Royalite.

The performance of Foundation and Sterling-Pacific has reacted on the Calgary Stock Exchange and the attorney-general's department is making an investigation of transactions to see that there are no infractions of the Security Frauds Prevention Act of the province.

Shareholders Benefit

The Foundation company production proceeds will be shared largely among shareholders, it is stated. The only royalties payable are a 12½% gross royalty to the Calgary and Edmonton Corporation which owns the land upon which the well was drilled and a one per cent royalty to an unnamed holder.

The Foundation crew is now at the Weymarn well on the Pincher Creek structure and will complete this well, which has given some signs of potential oil production. Drilling has been suspended for many months at this location.

According to Mr. Lane, the next few months should see the completion of at least half a dozen other big wells which might easily double Alberta's present output.

Tentative plans, he reported, had been made for 25 new wells prior to the big strike at Foundation, and work on all of these is now practically assured. Announcements of further plans will undoubtedly follow in quick succession.

Empire Supply

"Those who have been anxious about an Empire supply of crude oil," Mr. Lane suggests, "see a ray of hope in developments in southwestern Turner Valley, as it is an indication of what might be expected elsewhere in the province. While one pool is only a drop in the bucket when it comes to meeting the oil needs of the Empire for military and naval purposes, the presence of such a pool suggests the possibility of many others.

"Just as Royalite No. 4, first producer from the limestone in central Turner Valley was regarded as a freak until other wells were brought in from the same level, Turner Valley Royalties which blew in last June was put in a similar classification until Foundation was completed also a crude producer. The oil fraternity is now confident that sufficient capital will be available to assure the development of the pool on the west flank as well as to explore promising areas throughout the province.

Financial Support

"There is not sufficient money in the province to support the big development and exploration programme and operators must look elsewhere for financial support. This should now be forthcoming from such points as Toronto, Montreal and Vancouver as well as from United States centres which have shown considerable interest from time to time, and there is a remote possibility that some Old Country capital might become interested in a substantial way."

Foundation well was located by Russell V. Johnson, consulting geologist, the site being on L.S.D. 5 of section 21-18-2-W 5. Mr. Johnson recommended drilling at this point in the summer of 1934 long before Turner Valley Royalties was completed. Mr. Johnson in his report stated that the possibilities of crude at that point were very good. He also located and recommended drilling on a number of south end wells which are now producing including besides Foundation, Merland, Hylo, Marjon 2, Director and British Dominion 4.

Commenting on the significance of the Foundation strike Mr. Johnson stated:

Opens New Territory

"The Foundation well opens a territory to the north, south and west that formerly had been considered too deep for drilling. The logs of Turner Valley Royalties and Foundation indicate structural conditions that were not even suspected before by most oil men. From what we know of porosity of the lime, crude can be expected even farther west than it has been found."

Mr. Johnson also recommended drilling on a location in section 20, a quarter-mile northwest of Foundation where, he has estimated that maximum depth to the lime should be 6,500 feet.

Regarding conditions farther north, he stated that he believed that wells along the west flank at least as far as Dalhousie 8 should get crude production.

Drilling operations that are scheduled to start shortly and which have been assured by the Foundation strike include two wells on the west half of section 16, and four wells in section 20, within a radius of one mile south and west of Foundation.

Derricks Springing Up

In section 29, immediately west of Turner Valley Royalties which is situated in the northwest corner of section 28, at least four locations are assured including wells by Globe Royalties, Share Royalties and Commonwealth Petroleum, all of Calgary, and by Granville Oils, of Vancouver. Farther north on the west flank Mercury has rigged up a derrick in Legal Subdivision 8 of section 5-19-2-W 5 on acreage that it recently acquired from Calgary and Edmonton Corporation.

The chief companies to benefit through large holdings are Royalite, Calgary and Edmonton Corporation and Okalta, all of which have extensive acreage, Royalite's being west of the central part of the Valley.

Oct. Production 120,638 Barrels

Alberta oil production for October totalled 120,638 barrels, of which Royalite and Turner Valley Royalties, between them turned in 75,001 barrels. Production figures follow:

Turner-Limestone Production	
Advance	974
Anaconda 2	428
Associated	210
Baltac	62
Br. Dom.	3,099
Carleton	1,172
Century	4,900
Dalhousie	323
Director	827
East Crest	554
Foothills	872
Highwood Sarcee	2,607
Hylo	901
Longview C. & E.	171
Lowery	131
Marjon	545
Mercury, Miracle, etc.	11,106
Merland	617
Model	5,468
Pacalta	420b
Publix	144
Richfield	108
Royalite	51,479
Southwest	89
Spooner	413
Ster. Roy.	894
Structure	214
T. V. Roy.	23,522
Union-Freehold	764
Not otherwise included	3,460
Turner-Other Production	
Dalhousie	84
McDougall-Segur	520
McLeod	184
Royalite	43
Widney	133
Total	117,642
Red Coulee-Border	
Terminal	150
O'Neil	295
Vanalta	1,102
Wainwright	
Bethwain	25
Brit. Wain.	102
Edm. Wain.	259
Hargal	339
Sasko-Wain.	300e
Wain. Con.	347
Wain. Pete.	83
Total	1,455
Recapitulation	
Turner Valley, limestone	116,672
Turner Valley, other	964
Red Coulee, light crude	1,547
Wainwright, heavy crude	1,455
Total	120,638

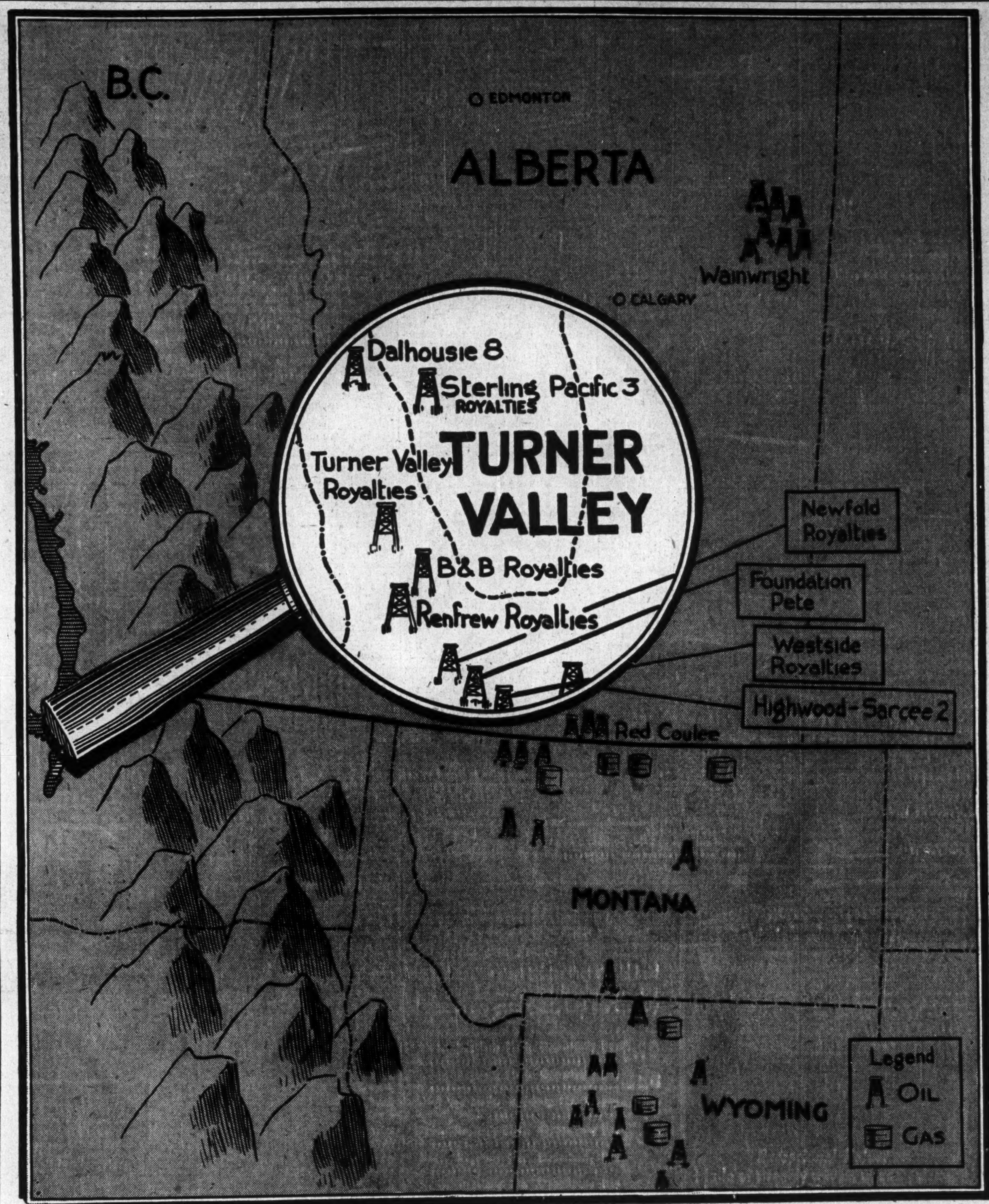
e—Eestimated.
b—Corrected for previous estimation.

Little Danger Is Seen Of Shipping Freeze-up

MONTREAL. — Higher temperatures during the past week have ameliorated ice conditions in the St. Lawrence and upper canals, with the result that very little shipping is likely to be ice-bound this winter. Earlier reports of a large number of cargo vessels being ice-bound were characterized by shipping men here as being exaggerated. Officials of Canada Steamship Lines do not express any concern over their boats. All passenger vessels have been tied up for some time. The packet and bulk freighters are expected to finish the season without mishap.

Ontario Loan Cuts Dividend

Ontario Loan and Debenture Co. has declared a dividend of $1.25 a share on its capital stock, payable Jan. 2 to shareholders of record Dec. 15. The payment is at an annual rate of $5 a share compared with the last dividend of $1.50 a share for the previous quarter, at the rate of $6 a share.



FOCUSING NATIONAL ATTENTION ON TURNER VALLEY

Is the Turner Valley part of that great half moon of crude oil which stretches down and across United States, from Montana to Texas?

The answer to this question is of tremendous import to the Dominion of Canada, as well as to the Empire. Recent developments in Turner Valley are giving rise to the definite hope a crude oil pool exists near the foothills. Geologists have many theories on the matter, but the best test of the validity of this hope lies in production itself.

What has been the experience in Montana and Wyoming, the two states directly south of the Alberta fields?

Average production in Wyoming between 1901 and 1910 was 21,000 barrels of crude petroleum per year. By 1921 to 1925, this production had risen to a yearly average in this period of 31,901,000 barrels. Production is now apparently stabilized at around 15 million barrels yearly.

In Montana, immediately south of the Canadian border, crude production rose with the "new era" and fell with the oil depression. In recent years, production has gained, and is now stabilized at around 4 million barrels yearly.

Turner Valley proper, prior to the blowing in of Turner Valley Royalties in May, and Foundation a few weeks ago, produced only a light crude. In 1935, the valley produced only 18,691 barrels of this light crude. In October, 1936, alone the output of the Valley totalled 117,642 barrels. Red Coulee and Wainwright fields (shown above) produced 1,547 barrels and 1,455 barrels respectively.

B. C. Social Credit Group Hands Rebuff to Aberhart

From Our Own Correspondent

VANCOUVER. — Premier Aberhart's British Columbia organization which was introduced with considerable fanfare only a few days ago has already "folded."

There will be Social Credit candidates aplenty at the next provincial election—probably some time next fall—but present indications are that they will not represent the Aberhart theories. They will be followers of Major Douglas, the feeling among Social Crediters in British Columbia being that the original doctrine has been ruthlessly maltreated in Alberta, to the discredit of the movement and the Aberhart administration. The British Columbia Social Credit advocates want the Douglas system, but the farther they can get from Aberhart sponsorship the better will they be pleased.

John L. Loveseth, personal missionary of the Alberta Premier, who announced he would carry out a whirlwind campaign in the coast province and have candidates in every riding, has resigned; his organization is no more. He discovered that the B. C. Social Credit League, formed some months ago, would have nothing to do with his group.

"Premier Aberhart asked me, as his designated personal secretary, to unify Social Credit forces in British Columbia," said Mr. Loveseth. "The B. C. Social Credit League refused to co-operate, so there was only one thing to do—resign."

J. S. Adam, secretary of the B. C. Social Credit League, expressed the resentment of his organization toward Aberhart's threatened invasion. "Outsiders cannot come in and try to run things in another province," said Mr. Adam.

Bay-Cumberland to Pay Dec., 1934, Bond Coupon

Coupon No. 11, due Oct. 1, 1934 on Bay-Cumberland Properties will be paid Dec. 15 next, the company has advised Stewart, Scully Co. The Toronto building owned by this company is now fully rented, it is stated, with total revenue a little better than a year ago, but not yet quite sufficient to pay full interest requirements.

Since the last interest payment the third 1935 installment and all 1936 taxes have been paid.

Dosco Wage Increases To Affect 7,800 Workers

MONTREAL.—Dominion Steel & Coal Corp. announces a 7½% wage increase covering all its employees and those of subsidiaries in Canada and Newfoundland. The increase becomes effective on Dec. 16, but does not include miners of the Dominion Coal Co., working under a two-year contract which expires Jan. 31, 1937.

The increase, also applicable to all salaried workers, will mean an outlay of between $500,000 and $600,000 yearly, and will affect 3,600 workers in the steel plant and 4,200 subsidiary plant employees.

Operations at the Sydney plant this year to date have been around 93% of capacity.

Some Firms Show Higher Auto Sales

But October Returns Reveal Relatively Small Volume of Business

Passenger car sales in Canada during October were valued at $3.8 millions—an increase of 16.3% over corresponding figures for 1935. Sales of buses and trucks in the same month were $1.1 million an increase of 18.4%. Volume of sales for trucks was only 9.8% above last year indicating a considerably higher average price per unit.

October is becoming the low point in motor car sales due to the practice of introducing new models in November. Actual volume of sales in October compared with November, was slightly higher for passenger cars—slightly lower for trucks.

Comparative figures for sales of passenger cars by leading makes in Eastern Canada, follow. They reflect an early start by Packard, Plymouth and Studebaker on 1937 models.

New Passenger Car Registrations (In Eastern Canada)

	Oct. 1936	Oct. 1935	Year to Date 1936	Year to Date 1935
Chevrolet	358	248	16,132	11,864
Ford	312	379	13,520	15,812
Dodge	228	154	7,170	5,640
Packard	172	62	1,156	564
Oldsmobile	134	166	3,758	4,167
Plymouth	132	93	6,882	5,968
Studebaker	128	38	1,113	824
Pontiac	89	153	2,282	3,618
Buick	77	177	2,421	1,000
Chrysler	53	28	1,915	1,493

C.P.R. Entry to Chibougamau Through Old Charter Unlikely

From Our Own Correspondent

MONTREAL.—Report that the Canadian Pacific Railway hopes to enter the Chibougamau mining area under cover of the Quebec and Chibougamau Railway, is given little credence in railway circles here, though there is the faint possibility that an interest may exist.

Quebec and Chibougamau was incorporated with a Quebec charter in Feb., 1920, by an English group of promoters, the chief of whom is a man named Proctor. Very little work was done but a tentative agreement was reached with the Canadian National Railways regarding an exchange of freight.

Charter Has Expired

The charter was renewed in March, 1924. Upon its expiration last year an application for renewal was made to the Quebec Government. A bill was prepared but as the Taschereau Government was forced out of office in the early part of the session, it was not brought up for consideration nor was there an opportunity for members of the railway committee to express their views on the renewal of the charter.

Under the terms of the original charter, Quebec and Chibougamau was given the right to build a line from a point near Quebec City to Chicoutimi, a distance of 120 miles; from Chicoutimi to St. Felicien, 100 miles; and from Mistassini to the Chibougamau mining area, another 167 miles.

As the situation now stands the Quebec and Chibougamau charter has expired and control of the company directly or indirectly, would be of little value to the Canadian Pacific Railway unless there was some definite assurance from Quebec that the charter would be restored to good standing.

Western Grocers' Dividend Raised to $2.40 on Com.

Bearing out reports of improved earnings, Western Grocers Ltd., Winnipeg, has declared a quarterly dividend of 60 cents a share on the common stock, payable Jan. 15, 1937, to shareholders of record Dec. 20. This increases the annual rate on the common from $2 to $2.40 a share.

The January payment will bring total disbursements from earnings in the 1936 calendar year to $2.10 a share.

Pay Taxes Before Interest On Montreal Balfour Bldg.

Interest payments due Oct. 1, 1936, and April 1, 1937, on 6% first mortgage bonds of the Balfour Building, Montreal, have been deferred. The step was taken through the co-operation of the bondholders' committee in order to allow the company to apply its available revenue toward payment of tax arrears. These [illegible]

Ottawa Bus On Its Me For Sess

TRADE PACTS K

From Our Own Correspo

OTTAWA. — Cabinet c meeting three times a w considerable progress has be in the preparatory work of ing session, which opens This work involves drafting of leg- islation, consideration of estimates, decision on tariff reductions on British goods, and formulation of general policy.

The key to the session is to be found in the United Kingdom agreement. Much depends on the attitude of the British Government toward it. The Canadian Government is anxious to ensure the continuation of the present agreement which has been on the whole fav able to Canada. Canada is prepa to go a considerable length to ret it. Parliament will know before session is over what the prosp are, and in the light of Britis tentions it will be possible t the arrangements for the rest spring and summer.

Extensive negotiations the Mother Country and have been conducted in th year, and considerable pr toward a common point of view been made. Much work has done by the cabinet on the Bri preferential tariff rates so as to prepare an attractive basis for a new agreement, or an extension of the old one with modifications.

Premier Mackenzie King said the other day that it was impossible to forecast exactly when a new agreement might be signed. It might be soon, or it might not be until well on in the New Year. No agreement had been reached as yet.

The semi-official announcement that the budget will be down early suggests a dramatic step which the Canadian Government may take. Though these things are always jealously guarded it is well understood here that the Government plans some drastic reductions of the British preferential tariff, and, in fact, that many of the cuts have already been worked out in detail.

What the Government has to contemplate is the effect of making these concessions at the psychological moment. It can wait until after the negotiations are reached, using them as bargaining power. Or—what is favored by a strong element here—it can offer them to Britain before any bargaining takes place.

Ready For Concessions

It has been rumored that in order to retain present free entry, without quotas, into the United Kingdom, the present Government was prepared to go—as a last resort—to the original Dunning budget. If true, this suggests substantial tariff reductions on woollens and worsteds, knitted goods, artificial silks, iron and steel plates, piping, hollow-ware and enamelware, earthenware, boots and shoes, cooking, heating and electrical apparatus.

The 1936 budget reduced duties on cotton goods and a few other lines, but only 13 of the 132 items in the Bennett tariff of September, 1930, were affected. Among the other 119 items the concession to be made to Britain is most likely to be found, it is suggested.

The cabinet is working out its defense policy. The need of reconciling highly conflicting viewpoints has become apparent. The French-Canadian ministers are getting considerable opposition sentiment from their province, and the prairies, finding their spokesmen in Messrs. Crerar and Gardiner, are not enthusiastic about heavy expenditures on armaments.

That a larger sum will be voted this coming session is taken for granted. That the great bulk of it will go into aviation is also accepted. The view appears to be that the country will accept an enhanced programme of air defense, especially if it can be offered as essentially a civil aviation programme, capable of being adapted in case of war.

Legislation Not Heavy

The legislative programme looming up at this date is not heavy. There will be three housing acts, or one dealing with rehabilitation, low-cost assisted housing, and an enlargement of the present Housing Act which supplies second mortgage money at minimum cost.

Hon. C. D. Howe has a measure to create a Transportation Commission, replacing the present Board of Railway Commissioners, and supervising all forms of transport which come under federal law.

Hon. J. G. Gardiner has in mind a new Marketing Act, to create machinery for the more intensive sale of farm products abroad, but this has not yet been drafted.

The National Revenue Department has an amendment of the Customs Act to permit of concessions to countries with appreciated currencies—a step arising out of the German trade negotiations.

There are some minor changes in the Excise Act and the Criminal Code.

A Youth Employment Act is a possibility. The annual Unemployment and Farm Relief Act will be brought down. Not much else of a definite nature is in sight at the moment.

The Turgeon textile report, the Tory coal report, and the Mackenzie annuities report may require legislation.

The Government may decide also to reconstruct the Combines Act. Social Legislation is awaiting the Privy Council decision.

Before long, but probably not this session, the whole matter of pensions and annuities is to be overhauled.

Surrender Charter

From Our Own Correspondent

MONTREAL. — Application has been made to the Secretary of State for leave to surrender the charter of Shawinigan Securities Corp. Th

ONOMIC SITUATION AND PROSPECTS REVIEWED BY BANKERS

ces of Recovery Once re in Ascendant Says nk of Montreal President

arles Gordon Warns, However, Against Policies That Would Bring Credit of Country Into Disrepute

ng expressions of confidence in the outlook in Canada were the of the proceedings at the annual meeting of the shareholders of k of Montreal, held at the head office of the Bank in Montreal on er 7. The meeting was also informed that the bank is in an ly strong position, and that deposits had been further protected er substantial addition to the reserve account. Sir Charles Gordon, resident, was in the chair and the 119th annual report which was was unanimously approved.

nancial statement showed ets to be $805,100,000 as with $792,800,000 a year quick assets standing at [illegible], representing 83.27% of es to the public. Deposits blic were shown at $653,- increase of $11,600,000. er the deduction of Domi- Provincial Government mount to $3,181,501 as com- with $3,005,212 in 1935, an in- of $176,000. A feature was nouncement that the Rest had been increased to $39,- a transfer of $1,000,000 fit and Loss Account. This $39,000,000, which had cumulated from profits past 119 years and pre- new stock issued, was was explained, as a protec- depositors; that is, as pro- for deposit liabilities the not only 100% in conser- valued assets, but in addi- sets representing $36,000,000 ital and $39,000,000 Rest.

E PRESIDENT'S ADDRESS

Charles Gordon, in presenting report of the directors, drew ntion to the continuance in high res of the Bank's assets and to relatively high liquidity of those ssets, remarking: "This is the ninth annual meeting over which I have presided. The report which was presented on the first occasion when I had the pleasure of addressing you as President, namely, in 1928, showed that our commercial loans at that time amounted to 45% of our deposits and our investments to 15%. Today the commercial loans amount to 21% and the investments to 64%. This represents a great change; in fact, so great has been the change that a large portion of our business has become, for the time being, almost of the nature of an investment trust. In a recent visit to New York I found the same conditions existing with the larger institutions there. In their case, however, interest is paid upon less than one-tenth of the deposits placed with them and therefore they are able to loan funds at a very low rate of interest—in fact, at almost any rate—and still meet their overhead. The reverse is the case in Canada, as while no interest is paid on deposits in our current department, the larger volume of money is placed in the savings department, with the result that we pay interest upon nearly seven-tenths of our total deposits. This interest must be earned, in addition to the Bank's cost of operating, before there can be any return to shareholders. We hope that with the encouragement which improving trade will give to business enterprise, the demand for banking accommodation will increase and that at our next meeting we shall be able to report a better balance between commercial loans and gilt-edged investments."

A YEAR OF RECOVERY

Turning to a review of the trade and industry of Canada, he said: "It has been said that fear today has many spokesmen, confidence but few. I feel that circumstances warrant my speaking with more confidence than for several years past regarding conditions in this country, this view being based to a great extent on personal observation. In my recent trip to the Pacific Coast I found a marked improvement over the conditions which prevailed at the time of my previous tour two years ago. The year under review can truly be said to be a year of recovery, in which, with certain reservations, it can be claimed that every province of the Dominion has participated. If I were preaching a sermon instead of addressing a meeting of shareholders, I would say that a note of *Sursum Corda*—'Lift up your hearts'—should strike a responsive chord everywhere from the Atlantic to the Pacific. Five fundamental features are outstanding in any review of the year's progress. They are: the recovery in agriculture, the extraordinary activity in mining, the all-time record in newsprint production, the gratifying increase in the tourist trade, the striking expansion in our export trade."

He showed how these features were reflected in the conditions currently obtaining in the various provinces, observing in connection with the Prairie Provinces that "an uplift has been given to the whole West by the best wheat price level in years, the value of this year's crop being estimated at $197,000,000 as compared with $156,000,000 last year. An added factor in the uplift is an export demand which is rapidly dissipating the depressing cloud that has overshadowed the market in the form of the large carry-over from former years."

THE BUILDING INDUSTRY

While this had been a year of recovery throughout Canada, he continued, there were important industries in which recovery was only now becoming apparent. They were the building industry and what were known as the capital goods industries, by which was meant industries which supply the requirements for production. "Building and capital goods industries are among the first to feel a depression and the last to recover," he said. "We are approaching the time when an upswing in these industries may be anticipated. The best way to stimulate this and to bring our whole economic life to a balance is to introduce an element of certainty about the future into the picture. I am glad to observe that this feeling apparently permeates the administration at Ottawa."

He commended the Home Improvement Plan put forward by the Dominion Government, acting on the recommendation of the National Employment Commission, detailed its scope and the co-operation which the banks were giving to it, and touched on the plan for developing low cost housing to which attention was now being given by the National Employment Commission, adding: "The adoption by the Dominion Government of a broad housing policy of this nature should without question have a considerable effect in putting to work men whom the depression [illegible] more severely [illegible] of Cana-

EXPORT TRADE

Sir Charles proceeded to deal with the continued expansion of Canada's external trade and the growth to substantial proportions of the favourable balance.

"The excess of exports," he said, "is, of course, decidedly advantageous to the Dominion as a debtor country and at the same time there is in the continued upward movement of this trade a factor of the utmost importance in its bearing upon the general industrial welfare of Canada. It is particularly gratifying to note that the products of agriculture are regaining their normal place in the export list. The reciprocity agreement with the United States, which became operative at the first of the year, has contributed to a heavier exchange of products between our neighbours and ourselves, and the results on the whole appear to be satisfactory. The Canada-United Kingdom trade agreement of 1932 is due for revision next year and it is generally assumed that the Dominion will be asked to augment its concession to British exporters. The present ratio of trade between Canada and the United Kingdom creates a *prima facie* case in support of such an anticipated request, but the Canadian Government will have to consider, as, indeed, is necessary in all such negotiations, the calculable effects of new concessions upon domestic manufacturing industries and domestic industrial employment."

Classing wheat, the tourist traffic, newsprint and mineral products as the four most important items entering into our international trade, he dwelt more particularly on mineral products.

A NEW MAJOR MOVEMENT

"This country," he remarked, "is now well launched upon what is undoubtedly another major movement in the history of her development. I refer to the mining of metals. Our physical heritage of minerals is being appreciated now that the whole world has entered upon an age in which metals are so urgently required for many new purposes. The activity in mining such metals as gold, copper, nickel, lead and zinc is phenomenal. It has been estimated that a total of more than $200,000,000 annually is being placed in circulation by the mining industry, of which in excess of $100,000,000 goes to payrolls of mining employees and upwards of $75,000,000 for supplies and equipment. This does not take into account dividends and many capital expenditures, nor does it include taxes paid to governments or the industry's large payments for transportation service, with the resulting benefit to our railways. With regard to capital expenditures, I would like to emphasize the point that the activity in mining development which we are now witnessing would be impossible were not capital, that great and little-understood instrument of modern industry, available. It is capital which finances the prospector, capital which provides machinery and explosives, capital which sinks shafts, capital which takes chances on finding hidden treasure and, when that treasure is found, it is capital which provides the means of making the stubborn rocks yield up that treasure. A recent survey which the Bank has made suggests that of all Canadian industries that of mining, with its collateral activities, is the greatest contributor to the federal income tax."

BALANCED BUDGET IN SIGHT AT OTTAWA

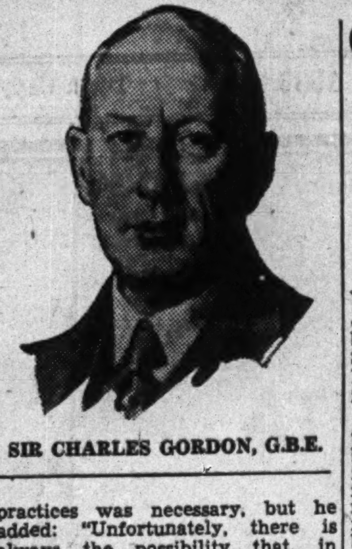
Touching upon how the state of Dominion Government finances had reflected the change that has recently come over business and other conditions, he said: "Total federal receipts for the fiscal year to October 31st were nearly $268,000,000, an increase of $41,000,000 over the same period of last year, the largest single increase being registered in income tax collections. Simultaneously, total expenditures were down from $280,000,000 to $275,000,000, due largely to the reduction in the Canadian National Railways deficit and decreased relief expenditures. Thus, up to October 31st, the excess of total expenditures over total revenue is only $7,000,000. If the present rate of revenue receipts is maintained, with accompanying measures of operating economy, there is every indication that the deficit of the Dominion Government for the present fiscal year, aside from loans and investments which presumably may be classed as recoverable, will be reduced to a relatively small figure.

"When we consider that during the past six years these deficits have averaged over $138,000,000 per year," he remarked, "it is gratifying to note that at last there is in sight a balanced budget—the goal of every finance minister and the cornerstone of any programme for restoring business confidence and the free functioning of private enterprise."

THE RAILWAY SITUATION

With respect to the legislation brought in by the Government substituting a board of seven directors for the management of the Canadian National Railways for the board of three trustees appointed by the late Government, Sir Charles said: "It is as yet too early to appraise the value of this change of system, although the appointments to the Board have been such as to receive general approval. It is confidently expected that the new directors will take it as their duty to exercise every effort to reduce the recurring annual deficit of the publicly owned railway system. To some extent this may possibly be accomplished by measures of internal economy. To some extent savings can probably be made by measures of further co-operation with the Canadian Pacific Railway, which, presumably, will be ready to assist in every proper fashion."

As to the announcement of the Government that it had under consideration a measure to provide for a revision of the capital structure of the Canadian National Railways, he said such a proposal was commendable if a revision of the railway accounts to bring them into [illegible] with accepted accounting



SIR CHARLES GORDON, G.B.E.

practices was necessary, but he added: "Unfortunately, there is always the possibility that, in endeavouring to have the railway appear self-supporting, some may urge that part of its indebtedness should be transferred to the general accounts of the Dominion. There is thus a very real danger that the accuracy and completeness of the record of publicly owned and operated transportation will be obscured. While it may not be palatable from the point of view of those directly concerned in the results of the Canadian National Railways, a strict account is necessary to record fully the total losses, the debts and the annual deficits which have resulted. In the interest of the proper framing of future policies with respect to the Canadian National Railways, it is to be hoped that no changes will be made in such accounts which would tend to make more difficult a proper understanding of the true facts of the railway situation.

"The publicly and privately owned railways will benefit from the increasing volume of business which is evident in Canada. It is to be hoped that this relief for the taxpayers will be considerable, but I wish to record again the opinion that prudent administration of the public affairs requires that we should give the most careful consideration to some more complete and permanent solution of a grave national problem than can be obtained by any expected increase in earnings. It is urgently necessary that every effort be made to reduce to the minimum the burden placed on the citizens and tax-payers of this country by the maintenance of an unnecessary mileage of railways."

THE CREDIT OF THE DOMINION

Referring to his remarks at the last annual meeting on the change of Government that had occurred just previously, he said: "I think you will agree that in the interim the affairs of the Dominion have been in good hands, but I am sorry that I cannot say as much for all of our provinces. Our shareholders are all aware of the changes which have been taking place in the various provinces with a view to bettering their financial position with regard to debts. You will have your own ideas on this subject. Repudiation, which is nothing more or less than a breach of contract, is sometimes talked about, and I cannot see how this line of thought can be pursued without the credit of the whole Dominion coming into disrepute."

He also touched on the rise in the stock market that had been continuous for some months, expressing the hope "that the movement may not continue to a point where we shall witness, even in small degree, a recurrence of those disastrous experiences that preceded the depression from which we are now emerging."

Sir Charles closed his remarks on an optimistic note, saying "We still have problems to face but, as regards these problems I stand squarely on the opposite side of the fence from the pessimists and I believe that, with the experience gained in the past few years, we in Canada will steadily work our way toward better things."

"We in Canada Will Steadily Work Our Way Toward Better Things"

Concluding his remarks to the shareholders, Sir Charles Gordon said: "While there are domestic political factors carrying implied threats to our future well-being, and while we must all be deeply conscious of the foreign developments affecting the general outlook, it must be clear to all of us, from our own observation, that the forces of recovery are once more in the ascendant. A wide variety of factors is combining to give full play to the enterprise of our people and among these factors is the growing conviction that there are no short-cuts to better times and that the observance of age-old economic laws must be the basis of sound progress. We still have problems to face but, as regards these problems I stand squarely on the opposite side of the fence from the pessimists and I believe that, with the experience gained in the past few years, we in Canada will steadily work our way toward better things."

General Managers Discuss Commercial Loan Situation

REPORT IMPROVED BUSINESS AND FEELING OF CONFIDENCE

In presenting the 119th annual financial report to the shareholders, W. A. Bog, speaking on behalf of himself and his fellow general manager, Jackson Dodds, pointed out that during the past few years a feature of banking, not only in Canada but also in Great Britain and the United States, had been the regrettable decline in the demand for commercial loans and, as a result, the banks to an increasing degree had turned to investing in securities.

"A number of factors have contributed to the reduced need for bank credit," he said. "The speeding up of production processes and increased and swifter transportation facilities have been instrumental in reducing the size of inventories of both raw materials and finished goods carried by business enterprises, thus lessening the working capital necessary to finance operations. Another factor has been that business corporations have been able to obtain their requirements by means of public financing encouraged by the prevailing low level of interest rates. These steps have lessened the necessity for borrowing from banks. Furthermore, the concentration of business into large companies has, in many instances, enabled the various components of these corporations to arrange their financing through the parent organizations, which generally have been well provided with cash resources. Another development has been the tendency for manufacturers to sell direct to retailers and so eliminate, to a large extent, the services of wholesalers, who were once important borrowers from banks. With a world-wide declining price level, the funds required to finance a given physical volume of goods or commodities have been appreciably reduced and, accordingly, there has been a corresponding decline in the demand for bank credit.

COURSE OF COMMERCIAL LOANS

"In view of the various factors that affect the situation, it is not possible to forecast the future trend in the demand for bank loans. While the decrease attributable to changes in production technique may be permanent, this cannot be said with regard to many other factors entering into the situation. As the volume of business activity increases, companies will doubtless find it necessary to utilize existing liquid resources in plant or other capital expansion and, as such resources are thus utilized, recourse will again be had to bank borrowings for inventory and other current requirements. Extensive capital expansion normally has the tendency to stiffen money rates, and short-term borrowing from banks for working capital purposes will be relatively cheaper than obtaining funds through the issue of securities, especially if the requirements of the borrower are of a seasonal nature. The upward movement in the level of prices will also tend to increase the demand for bank borrowings and firm up interest rates.

"Even if the future should reveal that well-established companies individually will require less bank credit than in the past, a return of confidence should foster new enterprises and there should be a tendency for the demand for commercial loans to increase in the aggregate."

BANK'S INVESTMENT POLICY

Upon the question of bank investments, Mr. Bog said the abnormally high ratio of investments to total assets, which had become a feature of bank balance sheets, called for great care on the part of the banker. When commercial loans were the principal source of revenue, the problem of investing in suitable securities was comparatively simple. Then, as now, it was the Bank's policy to invest principally in obligations of the Dominion Government. Although formerly the question of income from investments was only a matter of relative importance, the yield on short-term Dominion bonds was high in comparison with the return on these securities today. He pointed out that there was an element of danger in following, even temporarily, a policy of long-term investment, and added: "The policy followed as regards our own investments has been to purchase the shorter term securities with the intention of holding them until they fall due, and arranging the maturities in such a manner that at intervals throughout the year a substantial volume of funds becomes available for commercial purposes should the demand arise. In illustration of the sound principles enunciated above, 47.49% of our securities mature within two years, and only 10.59% thereof mature subsequent to 31st October, 1943. In other words, our holdings are so arranged as to secure the utmost protection against fluctuations in the level of bond prices and to provide for the normal demands for commercial loans as and when required."

SAVINGS ACCOUNTS PARTICULARLY VALUED

Speaking on the reduction of interest on savings deposits to 1½% per annum — the third reduction since May, 1933, he said the reduction had been made with reluctance, and it was only the continued decline in the yield on securities and the low level of commercial loans that had compelled the banks to take this step. He added: "One need only instance that, on the 31st October, 1935, the yield on three month Dominion Government Treasury Bills was 1.3017%; at the same date this year an issue was made at an average rate of .73%, and an even lower rate of .643% was recorded in September.

"I would repeat that these reductions in savings interest rates were made with great reluctance as any action that curbs the incentive to thrift is detrimental to the welfare of the community. In most cases, the first step in building up reserves for the rainy day is through the medium of a savings account, and we particularly value such accounts, regardless of the initial balance, as we consider that the principles of thrift instilled preferably at an early age are of incalculable value to the country as a whole and the depositor in particular."

Turning to the question of legislation affecting the sanctity of contracts, Mr. Bog declared that any policy which would tend to weaken the binding effect of such agreements was to be deprecated, as, he observed, "such a policy would strike at the very core of our economic order, for when there is lack of confidence, a slackening of business activity takes place, bringing unemployment in its train."

CREDIT ABROAD

"The effect on our credit abroad is also of paramount consideration. There is a large volume of foreign capital invested in Canada, which has contributed very materially toward building up the country, and we may be sure that we shall continue to need such capital in our future development. At all events, it would be imprudent in the extreme to foster any legislation which would unsettle those foreign investors who have already in a tangible way shown their confidence in Canada.

"At this point it would be pertinent to state that the bank adopts a sympathetic attitude toward borrowers in distress. Where borrowers, through unfortunate circumstances beyond their control, are unable to meet their obligations, the bank shows every consideration. At the same time, it expects that those who are able to do so will carry out their undertakings."

A WORD ON CORPORATION FINANCING

Having described the course of financing during the year followed by the Federal Government, he referred to issues floated by Provincial and Municipal governments and to corporation and railroad financing, remarking: "A feature of some of these refinancing operations has been the issuance in part of short-term serial bonds. Such a procedure in some cases can no doubt be justified. My belief is, however, that in aiming at low interest charges some companies may have overlooked the fact that their working capital position would be less vulnerable if the amount borrowed had been obtained by means of longer term issues to be retired by the operations of a reasonable annual sinking fund."

He also referred to the importance of stability of exchange, remarking that there was indication of a trend toward the resumption of an international money standard based in some form on gold. "The apprehensions expressed in the past that there is insufficient gold in existence for the purpose of a return to an international gold standard would now appear to have lost their force," he said, adding: "With the rise in the price of gold since 1931, production has been accelerated considerably. The advance in the price of gold and the higher level of production, together with the release of gold hoards in the East have been instrumental in increasing the gold reserves of Central Banks and Governments of the world from about $11,275,000,000 in September, 1931, to roughly $21,770,000,000 in September, 1936 (using the higher price of gold at the latter date). In the same period gold holdings of the United States have risen from $4,364,000,000 to $10,845,000,000 — and since September the figure has passed the mark of eleven thousand million. The increased production of gold by Canada has helped the country materially in meeting its foreign obligations."

WIDESPREAD FEELING OF CONFIDENCE

Paying a high tribute to the loyal co-operation of the staff, he remarked that the high morale in the Bank's service might be attributed in part to security of employment and an assured income on retirement. These factors, from the national viewpoint, had been a contribution to the employment situation in Canada during the past few years when the Bank had carried a surplus of staff.

Copies of the printed report of the proceedings of this meeting will be mailed to shareholders and may be obtained by others upon request, the general manager said. The report will contain a general business and financial survey of the United States and Great Britain and, as usual, a detailed review of conditions in the various provinces and Newfoundland.

He concluded: "Notwithstanding some disturbing legislative influences in Canada, which cannot but act as a deterrent to recovery, there is a distinct improvement in business as a whole and a feeling of confidence in every phase of our economic activity."

W. A. BOG

JACKSON DODDS

Banker Deprecates Influences Weakening Sanctity of Contracts

"The two greatest depositaries for the savings of Canadians in all walks of life are the banks and insurance companies," declared W. A. Bog, general manager, at the Bank of Montreal's annual meeting.

Continuing, he said: "There were on 31st October, 1935, over 4,600,000 depositors in the chartered banks with deposits aggregating $2,090,508,000, representing an average of about $450 for each account. It is estimated that there are 3,500,000 life insurance policy-holders in Canada and that the assets by which this insurance is protected amount to over $2,000,000,000.

"A great part of these funds belonging to depositors and policy-holders is invested in securities. The protection of the savings of Canadians, built up so laboriously and with such self-denial over the course of years to ensure a measure of security in old age or to provide for dependents after death is and always has been the first consideration of this bank and should also be that of all Government authorities. In most instances, these savings are not large and a loss of only a small portion of the principal is sufficient in many cases to bring want and anxiety.

"Any policy which would tend to weaken the sanctity of contracts is to be deprecated as, in addition to harming those who can least afford to bear losses, such a policy would strike at the very core of our economic order, for when there is lack of confidence, a slackening of business activity takes place, bringing unemployment in its train."

Dividends Declared

	This payment	Date payable	Date of record
Acme Glove	12½c	Jan. 2	Dec. 19
Do., pref.	$1.62½	Jan. 2	Dec. 19
Am. Cyanamid, A B	15c	Dec. 21	Dec. 8
Do., extra	40c	Dec. 21	Dec. 8
Assoc. Brew.	15c	Dec. 31	Dec. 14
Do., extra	25c	Dec. 15	Dec. 1
Agnew Surpass..pf.	$1.75	Jan. 2	Dec. 15
Assoc. Tel. & T. pf.	28c	Dec. 15	Nov. 27
Brewers & Distillers	•$1	Feb. 1	Dec. 29
Brit Amer. Oil	20c	Jan. 2	Dec. 15
Do., bonus	20c	Jan. 2	Dec. 15
Bell Telephone	$1.50	Jan. 15	Dec. 23
B. C. Power, A	40c	Jan. 15	Dec. 31
Brazilian Tr., p.	$1.50	Jan. 2	Dec. 15
Bk. of N. Scotia	$3	Jan. 2	Dec. 16
Belding Cort.	$1	Jan. 2	Dec. 15
Do., pref.	$1.75	Jan. 2	Dec. 15
Bk. of Canada	$1.13	Jan. 2	Nov. 30
Biltmore Hats, pf.	$1.75	Dec. 15	Nov. 15
Bldg. Prod., A B	35c	Jan. 2	Dec. 15
Do., extra	50c	Jan. 2	Dec. 15
Bralorne M.	10c	Jan. 15	Dec. 31
Do., extra	5c	Jan. 15	Dec. 31
Bright, T. G.	7½c	Dec. 15	Nov. 30
Do., pref.	$1.50	Dec. 15	Nov. 30
Burt, F. N.	50c	Jan. 2	Dec. 10
Do., pref.	$1.75	Jan. 2	Dec. 10
Can. Celanese	40c	Dec. 31	Dec. 16
Do., pref.	$1.75	Dec. 31	Dec. 16
Can. Gen. Invest.	12½c	Jan. 15	Dec. 31
Can. Wire & Cable pfd.	*2.75	Dec. 23	Dec. 1
Can Canners, 1st p.	$1.50	Jan. 2	Dec. 15
Can. For. Invest.	40c	Jan. 1	Dec. 15
Do., pref.	$2	Jan. 1	Dec. 15
Canada Nor. Pr.	30c	Jan. 25	Dec. 31
Do., pref.	$1.75	Jan. 15	Dec. 31
Can. Wire Box	37½c	Jan. 2	Dec. 15
Cel. of Amer.	$1	Dec. 23	Dec. 16
Do., pref.	$1.75	Jan. 1	Dec. 16
Do., pref.	$3.50	Dec. 31	Dec. 16
Cent. Can. Loan	$2	Jan. 2	Dec. 21
Chartered Trust	$1	Jan. 2	Dec. 15
Coniagas Mines	12½c	Jan. 11	Dec. 31
Cosmos Imp., pref.	$1.25	Jan. 15	Dec. 31
Confed. Life	$1	Dec. 31	Dec. 25
Cons. Bakeries, ord.	20c	Jan. 2	Dec. 15
Do., extra	20c	Jan. 2	Dec. 15
Cons. Div. Std. Sec. p.	37½c	Dec. 15	Dec. 1
Can. Bread, 1st pf.	$1.25	Jan. 2	Dec. 14
Do., B pfd.	*62½c	Jan. 2	Dec. 15
Can. Perman. Mtge.	$2	Jan. 2	Dec. 15
Can. Gen. Elec.	$1.25	Jan. 2	Dec. 15
Can. Dredge	$1+1	Jan. 2	Dec. 15
Canada Bud	40c	Dec. 19	Dec. 9
Cariboo Gold	2½c	Jan. 2	Dec. 5
Canada Malting	37½c	Dec. 15	Nov. 30
Do., extra	50c	Dec. 15	Nov. 30
Dom. Coal, pf.	38c	Jan. 2	Dec. 15
Dom. Glass	$1.25	Jan. 2	Dec. 15
Do., pref.	$1.75	Jan. 2	Dec. 15
Dom. Textile	$1.25	Jan. 2	Dec. 15
Do., pref.	$1.75	Jan. 15	Dec. 31
European Elec., A B	60c	Dec. 15	Dec. 5
Ford Motor	25c	Dec. 16	Nov. 28
Gurd, Chas., c.	20c	Dec. 15	Dec. 1
Dom. Bank	$2.50	Jan. 2	Dec. 19
Electrolux	40+30c	Dec. 15	Nov. 14
Falconbridge N.	7½c	Dec. 31	Dec. 4
Ham. Cotton, pf.•	50c	Jan. 1	Dec. 15
Hudson Bay M.	50c	Dec. 21	Dec. 5
Hinde & Dauch	25c	Dec. 21	Dec. 10
Ham. Un. Theat. pf.	$1.25	Dec. 31	Nov. 30
Hollinger M.	5c	Dec. 31	Dec. 14
Do., extra	10c	Dec. 31	Dec. 14
Inter. Paints, pf.†	75c	Dec. 21	Dec. 9
Do., extra	25c	Dec. 21	Dec. 9
Island Mtn. Mines	5c	Dec. 15	Nov. 27
Int. Nickel, c.	40c	Dec. 31	Dec. 1
Imp. Tobacco, ord.	8½c	Dec. 31	Dec. 11
Landed Banking	$1.25	Jan. 2	Dec. 15
Lang, J. A.	17½c	Jan. 2	Dec. 15
Loews London, pf.	a17½c	Dec. 15	Dec. 1
Lava Cap. M.	2c	Dec. 21	Dec. 10
Lake Shore M.	$1+$1	Dec. 15	Dec. 1
Louisiana Land	10c	Dec. 15	Dec. 1
Do., extra	10c	Dec. 15	Dec. 1
Monarch Knit. pf.	$1.75	Jan. 2	Dec. 14
Mtl. Loan & M.	50c	Dec. 15	Nov. 30
McKenzie R. Lake	3c	Dec. 15	Nov. 30
Do., extra	1c	Dec. 15	Nov. 30
McColl-Fron., c.	20c	Dec. 15	Nov. 14
Montreal C'tons, pf.	$1.75	Dec. 15	Nov. 30
Melchers, A	*50c	Dec. 15	Dec. 1
Mtl. Ref. & Storage, pf.	†$1	Jan. 2	Dec. 15
Marcus Loews, pf.	a$1.75	Dec. 15	Dec. 1
Mitchell, J. S., pf.	$1.75	Jan. 2	Dec. 11
Moore Corp.	40c	Jan. 2	Dec. 10
Do., pref. A B	$1.75	Jan. 2	Dec. 10
Mtl. C. & D. Bank	$3	Jan. 2	Dec. 15
Do., bonus	$1	Jan. 2	Dec. 15
N. S. L. & Pr., ord.	$1.25	Jan. 2	Dec. 16
Nat. Breweries	50c	Jan. 2	Dec. 15
Do., pref.	43c	Jan. 2	Dec. 15
National Biscuit	40c	Dec. 15	Nov. 13
Nat. Grocers, pf.	$1.75	Jan. 1	Dec. 15
National Trust	$2	Jan. 2	Dec. 19
Noranda Mines	$1.75	Dec. 22	Dec. 1
Neon Prod. of W. Can., com.	25c	Dec. 20	Dec. 7
Ont. Loan & Deb.	$1.25	Jan. 2	Dec. 15
Ont. Silknit, pf.	$1.75	Dec. 15	Dec. 1
Paton Mfg., pf.	$1.75	Dec. 15	Nov. 30
Pickle Crow	5c	Dec. 31	Dec. 16
Pioneer Gold	20c	Jan. 2	Dec. 1
Premier Gold	3c	Jan. 15	Dec. 18
Do., extra	1c	Jan. 15	Dec. 18
Power Corp.	25c	Dec. 21	Dec. 5
Do., pfd.	$1.50	Jan. 15	Dec. 31
Do., 2nd pf.	75c	Jan. 15	Dec. 31
Pressed Metals	50c	Dec. 22	Dec. 17
Do., extra	50c	Dec. 22	Dec. 17
Reno Gold	3c	Jan. 2	Dec. 10
Remington Rand	15c	Jan. 2	Dec. 10
Do., stock bonus	1%	Jan. 2	Dec. 10
R. S. Mills, A	50c	Jan. 2	Dec. 15
Do., extra	$1.75	Jan. 2	Dec. 15
Sheep Creek M.	2c	Jan. 15	Dec. 31
Sher. Wm., pf.•	$1.75	Jan. 2	Dec. 15
Sylvanite Gold	5c	Dec. 31	Nov. 16
Siscoe Gold	5c	Dec. 15	Nov. 30
South Can. Pwr., pf.	$1.50	Jan. 15	Dec. 19
Std. Steel, pf.	*75c	Jan. 1	Dec. 15
Do., extra	*75c	Jan. 1	Dec. 15
Sudbury Basin	†10c	Jan. 2	Dec. 10
Sunshine Mining	75c	Dec. 15	Dec. 1
Super. Pete., ord. & c.	50c	Jan. 2	Dec. 11
Union Gas	12½c	Dec. 15	Nov. 23
Tamblyn, c.	†20c	Jan. 1, '37	.....
Do., pref.	†62½c	Jan. 2	Dec. 19
Teck Hughes	10+5c	Jan. 2	Dec. 10
Thayers, pf.	$2.50	Jan. 1	Dec. 16
Tor. Mortgage	$1.50	Jan. 2	Dec. 15
Un. Amuse., A B	30c	Dec. 15	Nov. 30
West. Grocers	60c	Jan. 15	Dec. 20
Do., pref.	$1.75	Jan. 15	Dec. 20
Weston, Geo., c.	20c	Jan. 2	Dec. 19
Do., extra	10c	Jan. 2	Dec. 19
Wr.-Hargreaves	10c	Jan. 2	Dec. 14
Do., extra	5c	Jan. 2	Dec. 14
Do., interim	10c	Feb. 1	Jan. 6
Ventures	2½+2½c	Jan. 2	Dec. 15
Walker, H.	50c	Dec. 15	Nov. 20
Do., pref.	25c	Dec. 15	Nov. 20

†Initial. *On arrears. ‡Interim. •Capital distribution. aFor quarter ended Sept. 30, 1933. aFor quarter ended Sept. 30, 1930.

Maritime Telegraph Traffic Up in October

From Our Own Correspondent

MONTREAL.—Total volume of completed toll calls on the Maritime Telegraph and Telephone system during October was 125,018, or 1,833 more than in the same month a year ago.

Ottawa Deficits Show a Drop For 8 Months

$50 Millions Improvement Reported in Budget Position

REVENUES ARE UP

An improvement of $50 millions in its budget position at the end of the first eight months of its fiscal year is reported by the Dominion Government, total deficit for the period amounting to $19.4 millions compared with $69.4 millions in the corresponding period of 1935.

On ordinary account, results of operations for the eight-month period show a surplus of $53.4 millions, compared with a surplus of $11.8 millions in the same period of 1935.

In the month of November both revenue and expenditures showed an increase over the same month of 1935. The increase in expenditures, however, was $1.1 million greater than the improvement in receipts.

Revenue Exceeds Estimate

Present indications are that the revenue estimate of the budget will be exceeded. In fact, the gain to date is greater than the increase of $46 millions provided for in the budget. It is not expected, however, that the deficit will be substantially lower than the estimate of $100 millions, while various items such as drought expenditures in the West and write-offs in connection with the Saskatchewan debt adjustment scheme, not provided for in the budget, will, it is feared, offset any improvement in revenues.

The Government has also improved its position in regard to loans and advances. As is indicated in the table below funds needed for this purpose were almost $20 millions less than in the 1935 period.

LOANS AND INVESTMENTS
Eight Months Ended Nov. 30

	1936 $ 000's	1935 $ 000's
Provincial govts.	6,329	24,764
Railways	5,721	1,065
Harbor commissions	315	319
Farm loan board	6,608	2,900
Housing Act, 1935	618	1
Soldier & land settlement	129	113
Bk. of Canada stock	5,100	.....
C. N. R. refunding	33,033	47,896
Total	57,853	77,059

REVENUE AND EXPENDITURE
Eight Months Ended Nov. 30

Revenue:	1936 $ 000's	1935 $ 000's	Change $ 000's
Customs duty	54,500	51,315	+3,185
Excise duty	31,723	31,008	+715
Excise taxes	94,590	72,657	+21,933
Income tax	87,655	69,699	+17,956
Gold tax	......	1,413	—1,413
Post office	20,291	19,289	+1,002
Sundry	14,246	12,642	+1,604
Special	1,729	267	+1,462
Total	304,734	258,290	+46,444
Expenditure:			
Ordinary	249,575	246,132	+3,443
Special	71,242	75,806	—4,564
Capital	3,355	5,824	—2,469
Total	324,172	327,762	—3,590

Month of November

Revenue:	1936	1935	Change
Customs duty	7,673	7,463	+210
Excise duty	4,161	4,089	+72
Excise taxes	14,674	11,170	+3,504
Income tax	4,817	3,875	+942
Gold tax	......	6	—6
Post office	3,149	2,915	+234
Sundry	1,844	1,724	+120
Special	803	10	+793
Total	37,120	31,252	+5,868
Expenditure:			
Ordinary	41,328	40,765	+563
Special	8,059	6,786	+1,273
Capital	163	317	—154
Total	49,550	47,868	+1,682

Rail Costs Offset Higher Revenues

Gross Income 7% Greater Than Last Year for Both Lines

From Our Own Correspondent

MONTREAL.—Operating revenue of the Canadian National and Canadian Pacific Railways to the end of November this year was 7% ahead of that for the same period in 1935. During the past 11 months the two lines reported a gross income of $295,692,264, of which the Government-owned railway accounted for $169,386,264 and the C.P.R. $126,307,000. For the same period of 1935 the C.N.R. reported $158,210,670 and the C.P.R. $118,095,000, making an aggregate total of $276,305,670.

The increase in traffic on both lines, as represented by the dollar revenue, has been almost exactly the same in both cases. This year the Canadian Pacific reports an increase of 6.9% compared with the returns for last year, while the C.N.R.'s gain amounts to 7.05% on a similar comparative basis.

Expenses Keep Down Net

Despite the improvement in gross revenue net income shows relatively little change due to increased maintenance and renewal costs, in which labor costs are an important item.

To the end of October the C.P.R. had a net operating income of $16.2 millions, or 3.8% more than in the corresponding period of 1935. The Canadian National's net operating revenue to the end of October this year totalled $9.8 millions, or less than 1% more than a year ago.

Foster-Wheeler Secures Big Comeau Bay Contract

Foster Wheeler Ltd. has been awarded the contract for the steam plant for Ontario Paper Company's new mill at Baie Comeau.

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Feb. 5 LANCASTRIA

to Plymouth and London
Dec. 24 AUSONIA
Dec. 31 ANTONIA
Jan. 14 ANDANIA
Jan. 21 ASCANIA

to Cobh and Liverpool
Dec. 26* SAMARIA
Jan. 16* AURANIA
*calls at Boston following day

from HALIFAX

to Plymouth and London
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Jan. 23 ASCANIA

to Glasgow Belfast and Liverpool
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Imperial Oil

Is there any basis for uneasiness over the dividend situation affecting Imperial Oil and is the current dividend an accurate reflection of earnings?

Imperial Oil Ltd. owns approximately [illegible] of the capital stock of International Petroleum Co., and its fortunes are, therefore, tied up with those of the producing company. Imperial Oil has been paying dividends of [illegible]25 a share, although earnings have been running under $1 a share. It could go on doing this for a considerable time because of its large reserves, and in this dividend policy it resembles International Petroleum Co. These are the largest oil companies with Canadian headquarters and have a long and favorable earnings record.

The outlook for earnings from International Petroleum is improved materially by rising prices for crude oil. Eventually, this may allow both International Petroleum and Imperial Oil to show actual net earnings as large as the current dividends.

Chemical Research

As a shareholder of Chemical Research I find there is some difficulty in securing complete information about the company's affairs. I would like your report on the situation.

Our difficulty in answering your enquiry on Chemical Research Corp. is precisely that of yours as an investor. We have been unable to obtain sufficient informative material to make a completely satisfactory appraisal of the company's position. One of the particular difficulties is to know where it stands in relation to the Gyro Process Co. whose earnings have not been published. The recent change in Chemical Research officials is expected to result in adequate information being given to shareholders and is therefore a constructive development.

Massey-Harris

I hold Massey-Harris common and would like to know whether the company's financial position has improved to any extent this year.

Massey-Harris had net working capital a year ago of $18.6 millions. Most of this consists of accounts receivable and inventories, but the company's assets are substantial in proportion to the $8.7 millions of 5% debentures and $12.1 millions of 5% preferred stock. Last year's income was sufficient to cover bond interest in full for the first time in six years, but 1936 results have not shown the improvement that had been hoped for.

No earnings have been shown on the preferred stock since 1929. This year, the default of sinking fund on the bonds was rectified by adoption of a new arrangement which requires redemption of $2 millions of bonds before any payment can be made on the preferred shares. While rumors of munitions orders for the company are persistent, officials repeatedly deny any such business, and there is also the possibility that a moderate amount of this business would be insufficient to bring back the company's earnings and might actually be unprofitable. Hopes for the future must to a considerable extent depend upon recovery in agricultural purchasing power to allow the company to market implements.

Dominion Stores

What are the dividend prospects for Dominion Stores?

Dominion Stores has a capital consisting of 280,014 common shares, without any senior securities. The company's working capital is slightly over $2 millions, so any recovery of earnings could be paid in dividends. Last year, however, the company showed a total loss of $610,000 and until profits are regained dividends remain in doubt. Sales for the first 11 months of this year showed an increase of 9.1% and this gain is expected to continue for the full year. As a result, a profit is expected to be shown in contrast with last year's loss, but whether it will be sufficiently large to allow dividends of any substantial amount is still a question.

Canadian Dredge

Kindly let me have a report on Canadian Dredge. How have earnings fluctuated over the last few years?

Canadian Dredge and Dock Co.'s year ends Jan. 31 next, and hence the official report is not expected for several months. But it is understood about the same volume of business was handled this season as last. In 1935 earnings of $5.02 per share were reported on the common stock and total dividends paid amounted to $3. A similar disbursement has been made this year. The company has no funded debt, and no preferred stock, therefore, all profits are available for distribution on the common stock. Working capital of almost $3 millions is much the highest in the last seven years.

Earning capacity of a company of this kind depends on its ability to secure sufficient contracts, mostly along the Great Lakes and St. Lawrence Waterways. But the amount of such work fluctuates from year to year and so have the earnings of Canadian Dredge and Dock. Compared with last year's earnings of $5.02 per share, in 1935 only 76 cents was earned and 51 cents the year before. The company has a substantial volume of work on hand for next year.

Consolidated Bakeries

I am contemplating purchase of Consolidated Bakeries as an investment. Would appreciate information on earnings and dividend outlook.

Consolidated Bakeries of Canada has only common shares outstanding, 318,440 of them. Earnings have shown steady recovery in the last three years and the company's working capital of more than $1.5 million allows it to pay out practically all earnings in dividends. In 1935, earnings amounted to 90 cents a share, the amount distributed in dividends. The regular quarterly dividends in 1936 and the extra dividend of 20 cents a share indicate improvement in earnings to about $1 a share this year. Improvement in public purchasing power and stabilization of bread prices has helped the recovery of earnings, but in a company of this kind, extraordinary expansion of profits does not seem probable, although a further gradual improvement could be effected.

Waterloo Manufacturing

I hold Waterloo Manufacturing and am disappointed in the investment. Is there any likelihood of the company paying dividends soon?

Waterloo Manufacturing Co. has been showing substantial losses each year after allowing for depreciation. Although the balance sheet shows an equity of $1.9 million for the 81,840 class A shares and 27,500 class B shares this is reduced by the accumulated deficit which has been climbing toward $1 million. Dividends are no possibility in the near future. The last balance sheet published showed current assets of $1.6 million, and current liabilities nearly $1.4 million, including a bank loan for $1,282,000. The company's working capital position is therefore strained. The company's business is manufacturing threshing machines and combines and recovery in its business depends to a large extent upon recovery in agricultural income and buying power. So far, this has not appeared sufficiently to allow the company to show earnings and the outlook for the shares is obscure.

St. Catherine-Stanley

We would appreciate information on St. Catherine-Stanley Realty Corp., as to space occupied, taxes in arrears, rentals in arrears, and general prospects for the future.

We understand that the Castle Building, owned and operated by St. Catherine-Stanley Realty Corp., has about 88% of its space rented. Collections are somewhat better, and as leases expire, slightly higher rentals are being secured. All taxes have been paid up to date and there is a slow, but gradual, improvement in the company's position.

For the year ended April 30, 1936, the company reported total income of $88,360 and an operating profit of $30,633 available for depreciation and bond interest. Interest requirements on the bonds amount to $59,423 annually. It is possible that the interest coupon due Nov. 1, 1934, will be paid soon.

Canada Northern Power

Please send me a report on Canada Northern Power common stock.

Operations and earnings of Canada Northern Power Corp. have recorded substantial increases in the last few years, due to the rapid expansion of demand for the company's services in northern Ontario and northern Quebec. The prosperity of the company to date has been largely owing to the mining industry which, as you know, has shown remarkable expansion. Outlook for the company continues rather favorable, though there are two factors to bear in mind. One is that Ontario Hydro is now actively engaged in competing for business in the northern Ontario field and has been successful in securing a number of mine contracts. In the northern Quebec field, Noranda Power Co. plans to develop a large power site near its property. The company is seeking authority from the Quebec Government for permission to sell power. Given this authority, the position of Canada Northern in the Quebec field would be affected, partly through the loss of power sold to Noranda mine, but also from possible competition. To offset this, however, new Quebec mines will need more power.

STOCKS LISTED AND UNLISTED BONDS

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Beauharnois

Can you tell me if any offer of exchange has been made by Montreal Power to the holders of the Beauharnois Power Corp. 5% bonds, or if there is a plan of reorganization?

No arrangement has been made regarding a financial reorganization for Beauharnois Power Corp., nor has any offer of exchange been made by Montreal Power in connection with the 5% collateral trust bonds.

The position and outlook for Beauharnois has undergone an improvement as a result of the ruling of the Ontario Court of Appeals allowing Ottawa Valley Power the right to sue the Ontario Hydro-Electric Power Commission and the Attorney-General of Ontario to enforce the contract between the company and Ontario Hydro repudiated by the Ontario Government. This decision is being appealed to the Privy Council. If the Privy Council upholds the Ottawa Valley Power Co., then the way will be open for Beauharnois to sue on its contract with Ontario Hydro.

In the event that the Quebec power companies are not given the right to sue to enforce these contracts, then the position of Beauharnois is rather obscure. As a matter of fact the company is not liable to default on the bonds until April, 1938, when interest becomes due and payable. However if the Ontario contract is not restored to good standing, it cannot be said that the prospects for Beauharnois Power Corp. are very encouraging at this time.

Pogue and Oils

Like many others, I am somewhat concerned about my investments in oil shares such as Imperial Oil, International Petroleum and B. A. Oil because of the Pogue carbureter development. How do you think a device allowing a car to run 200 miles to the gallon of gasoline would affect such investments?

Undoubtedly an invention capable of allowing a car to run 200 miles to the gallon without offsetting disadvantages would disrupt the oil industry for a time. Oil men, however, think that such an invention would so expand the market for petroleum products that the companies would eventually be better off than ever. This would not apply, of course, to retailing firms, but it is believed it would to companies with large producing interests such as those you mention.

There is the further question, of course, of whether the Pogue invention can be made practicable for commercial use. It is said, for instance, that what Mr. Pogue is trying to do is break up gasoline at the carbureter. If this can be done effectively, it would seem that oil companies could do it economically at the refineries. Oil companies have already saved billions of gallons of gasoline by improved methods of "cracking" crude petroleum.

It appears that Mr. Pogue is developing something interesting, but just what it is cannot be certain at present. Meanwhile, scientific men say it can't be done and oil company officials are not nervous. In fact, oil men have been buyers of oil shares in recent months.

Quinte and Trent Valley

I would appreciate very much if you could give me any information regarding Quinte and Trent Valley Power Co. first mortgage bonds, in default since 1931.

There has not been much change in the operating or financial position of Quinte and Trent Valley Power Co. At present the company is selling a small amount of power at Frankfort to the Gair Co.'s pulp mill and also to the local lighting company. Negotiations have been going on with various interests wanting to start up manufacturing in Frankford and Campbellford, but these are rather nebulous and nothing may come of them. The Toronto plant of the Quinte and Trent Valley is still closed down. There have been no earnings available for bond interest, but the company may stand to benefit if the Ontario Hydro proceeds with further development of power on the Trent River.

St. Lawrence Corp.

Would greatly appreciate any information you could give me on St. Lawrence Corp. common stock which sells at about 6.

St. Lawrence Corp. holds practically all the common stock of Brompton Pulp and Paper and St. Lawrence Paper Mills, and will have a minority interest in the common stock of Lake St. John Power and Paper when the reorganization plan of the latter is finally effected. Its revenues are derived from dividends on stock holdings. Ranking ahead of the stocks are a number of senior securities, some of which are in default of interest and dividend payments. There is no immediate hope of income for St. Lawrence Corp. From an operating point of view, the subsidiary and associated companies are doing better and the prospects for increased earnings are encouraging.

Champion Mortgage

What can you tell me of the Champion Mortgage plan of savings certificates?

Champion Mortgage Corp., Edmonton, sells installment savings certificates on which the purchaser is required to make regular deposits. It is something akin to purchase of the investment portion of an insurance policy without the accompanying gamble on whether you live or die. In the early years of the certificates substantial costs, such as those of selling, are deducted so that cash surrender values are small. Consequently it is important for the purchaser to be sure of his ability to maintain payments throughout the certificate period so as to reap the maximum advantages which accrue in the later years.

Aside from the question of maintaining payments, the most important factor influencing the ultimate value of the certificate is the investment policy of the company. Champion Mortgage has most of its assets in marketable bonds, and maintains assets of 110% of certificate surrender values on deposit with trustees. So far the company's investment policy has been conservative, and although it operates in Alberta its investments affected by radical legislation in that province are negligible in proportion to total holdings.

Sin Mac Lines

At the time of the purchase of the assets of Sin Mac Lines by Joseph Simard, there still remained some equipment belonging to the company. About nine months ago it appeared as though some disposition was to be made of the remaining assets, but it never materialized. Would appreciate any advice on the matter.

Plans for final distribution of the assets of Sin Mac Lines have been delayed owing to uncertainty over the outcome of two or three lawsuits which have been entered against the company. It is contended that these lawsuits have been outlawed by time, but until a definite ruling is obtained, the final payment to the bondholders is being withheld. However it is possible the distribution will be made by the end of the year.

Gatineau Power

Will you please let me have your views on the Gatineau Power 5% first mortgage bonds for a client of ours, who is looking for a reasonably safe outlet for his funds and is prepared to make a long-term commitments?

Gatineau Power 5% first mortgage bonds are favorably regarded. This company supplies power to Ontario Hydro, Canadian International Paper, Canada Cement Co., E. B. Eddy Co., Ottawa Electric and other large wholesale buyers. While earnings have been affected by revision of the Ontario Hydro contracts, still the company is able to cover the operating expenses and interest on the first mortgage bonds without any income from Ontario Hydro. The revenue from Hydro, however, ensures payment of the interest on the junior 6% debentures. Recent reports indicate that earnings are increasing, especially those from sources other than Ontario Hydro. Moreover Ontario Hydro has increased the minimum deliveries under its new contract by 40,000 h.p., and thereby materially strengthening earnings.

Abitibi Bonds

What is the position of Abitibi Power and Paper bonds from an investment standpoint?

The investment value of Abitibi Power and Paper 5% bonds, due 1953, depends to a considerable extent upon dubious factors of the future, including the possibilities of a reorganization. The company is in receivership and is paying no interest on the bonds.

The demand for newsprint has been growing very rapidly and Abitibi has been obtaining its share of the substantially increased business. The price of newsprint for 1937 is to be $42.50 a ton, compared with $41 in 1936 and this should enable the company to increase its revenues, although there may also be a rise of costs. By modernizing its equipment, the company may be able eventually to make money on an increased volume of business.

At present the receivership is unable to show earnings sufficient to cover the full bond interest, even before allowing depreciation, and working capital must be increased substantially before the company can stand on its own feet. Nevertheless the improved outlook for newsprint holds promise for eventual returns to bondholders.

Cockshutt Plow

Would you give me some information as to the current position of Cockshutt Plow?

Companies of this kind have suffered some losses from recent debt legislation in Alberta and require substantial working capital to finance new business. Until earnings are realized, to allow some increase in the working capital, dividends can hardly be paid.

Every year since 1930 the company has had a net deficit after all charges, and working capital has been decreasing. Under existing conditions, substantial earnings cannot be expected, although some improvement has been experienced.

Since prices for agricultural products have shown improvement, even if crops have not, there is some reason for optimism on the outlook for Cockshutt Plow. Reasonably good crops, particularly in western Canada, would enable the company to increase its volume of business substantially. Since there are no other securities senior to the common stock, the shares stand to get the benefit of any agricultural recovery.

Rackets

Anti-freeze?

BUSINESSMEN and automobile owners generally have a new racket to combat as a result of the sudden shortage of glycerine, a material used normally in large volume for the manufacture of automobile anti-freeze mixtures.

Demand for glycerine for use in European armament construction has recently shown marked expansion. Glycerine is widely used in explosive compounds and by far the larger part of the available supply has been purchased for that purpose.

Racketeers in Canada, seizing the opportunity presented by the shortage, have turned to the production and sale of so-called anti-freeze compounds which in reality are highly injurious to the interior metal of automobile radiators. Their base has been found to be calcium chloride, and tests of the compound by Toronto Better Business Bureau officials revealed that the mixtures had a highly corrosive action on the metal of cars.

• • •

Freezes at 16 Below

APART from their destructive action, racketeers' "anti-freeze" has a freezing point of only 16 degrees below zero and a boiling point of 226 degrees Fahrenheit.

Producers of legitimate and safe anti-freeze compounds are co-operating in an effort to stamp out the racket in Toronto. Most automobile companies provide as part of their accessories detailed recommendations regarding the type of anti-freeze suitable for use in the car. Meanwhile, retail buyers have turned largely to anti-freeze compounds consisting of alcohol and chemical mixtures of recognized brand names and produced by well-known, reputable and widely advertised companies.

Pressed Metals

I would like to have your view of the earnings outlook for Pressed Metals of America.

Pressed Metals of America showed earnings equivalent to $1.60 a share last year, over four times the earnings of 1934 and over five times the earnings of 1933. The company's high level of activity is due to increasing production of motor vehicles, because it supplies many parts for the major manufacturers of cars. As long as the automobile business is active, it appears probable Pressed Metals will continue to show satisfactory earnings.

British American Oil

Is it reasonable to expect a dividend increase in the near future from British American Oil?

B. A. Oil has shown earnings of slightly over $1 a share on Canadian operations for some years and has been paying dividends of 80 cents a share. Your question is answered by the recent declaration of an extra dividend of 20 cents a share for 1936. Further extras are possible eventually because of huge earnings from U. S. production which are not shown in the B. A. Oil statement but which have so far been retained by the American producing subsidiary.

While gross revenues from U. S. production of crude oil are over $2 a share on B. A. Oil stock, apart entirely from Canadian earnings, a large portion of the American revenues can be written off to depletion. Thus, the company does not have to draw down large dividends from its subsidiary, B. A. Oil Producing Co. Nevertheless the U. S. development promises good things for shareholders in future years, as and when it is decided to disburse the new-found earnings.

American Cyanimid Pays 40-cent Extra Dividend

American Cyanimid Co. has declared extra payments of 40 cents a share on both class A and class B common stock in addition to the regular quarterly dividends of 15 cents a share on each class. Both amounts are payable Dec. 21 to shareholders of record Dec. 8.

These payments bring total dividends for the year up to $1 a share, compared with 45 cents a share in 1935.

Periodic examination of securities

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Building Products Doubles "A" Bonus

Increasing Distribution on Stock Reflects Better Earnings

From Our Own Correspondent

MONTREAL.—Directors of Building Products have declared the regular dividend of 35 cents a share on the class A stock, plus an extra dividend of 50 cents a share for the quarter ending Dec. 31, 1936.

In the previous quarter the company paid a regular dividend of 35 cents and an extra of 25 cents a share, while for the first half of the year distribution amounted to 50 cents a share. With the current declaration, the company will have paid $1.95 a share on the class A stock, of which there are outstanding 116,346 shares.

Current reports are that the volume of business is running well ahead of last year, when the company earned $1.27 a share on the class A and B stock. There is no official information as to the extent of earnings this year, but judged by the increased dividend distribution, the report for 1936 will show share earnings on a scale larger than at any time since 1931.

N. B. Power Board Reports Progress

MONTREAL. — New Brunswick Electric Power Commission's gross revenues for the year ended Oct. 31, 1936, amounted to $996,686, an increase of $77,484 during the year. After all charges there was a deficit of $4,000, as compared with a loss of $22,115 in 1935.

Suggestions for December Inves

OUR December bookle
a diversified list of Do
vincial, Municipal and
securities is now ready f

We shall be glad to send y
on request.

Write or telephone WAverl

DOMINION SECURI
CORPORATION LIMITE
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK
15 King Street West, Toronto

Montreal Power Operations Grow

MONTREAL.—Further improvement in business conditions in the Montreal metropolitan area is reflected in November production figures of Montreal Light, Heat and Power Consolidated.

Electricity output last month was 4.08% over that reported a year ago, having amounted to 98.7 million kw.h., as against 94.8 million kw.h. for November, 1935.

For the first 11 months of this year output totalled 967.8 million kw.h. This compares with 923.3 million kw.h. for the same period in 1935. In neither case do the figures include secondary or export power.

Montreal Power's gas output continues to hold its own with the preceding year. The figures show a fractional increase of .36% in November when production totalled 417.5 million cubic feet, as compared with 416 million cubic feet during the same month a year ago.

Gas production for the first 11 months of 1936 aggregated 4,746 million cubic feet, an increase of .045%.

BULOL
GOLD DREDGING

Our description of
lowest-cost producer
first issued in 1933,
revised to include n
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Greenshields
Members Montreal Stock E
Montreal Curb Mark
507 Place d'Armes, Mo
TORONTO OTTAWA
SHERBROOKE

The WESTERN SAVINGS and LOAN ASSOCIAT
HEAD OFFICE: WINNIPEG, MANITOBA

AGENCIES
EQUITABLE LTD., Calgary, Alberta
BUTLER BYERS BROS. LTD., Saskatoon, Sask.
McCALLUM-HILL AND COMPANY, LIMITED, Regina, Sask.
J. K. RINGLAND & COMPANY, LIMITED, Herald Building, Leth

The SHERWIN-WILLIAMS Co. of Canada, Limite

and Wholly Owned Subsidiary Companies

Annual Report of Board of Directors for the year ending August 31st, 193

TO THE SHAREHOLDERS:

On behalf of your Directors I beg to submit the Consolidated Balance Sheet showing Assets and Liabilities of your Company and its wholly owned subsidiary companies at the end of its fiscal y August 31st, 1936

Also attached is the Consolidated Statement of Earned Surplus and Profits for the last fiscal ye

Your Auditors, Messrs. Price, Waterhouse & Company, have made an examination of the books and accounts of the Company and their certificate and report is presented herewith.

In accordance with our usual custom, all properties and plants of your Company have been maintained in proper condition and the sum of $46,094.77 has been added to Reserve for Depreciation, which now stands at $2,069,194.82.

Care has been taken in the preparation of all inventories of raw materials and manufactured goods and these have been priced on the basis of cost or market, whichever proved to be the lower.

Sales figures for the units and subsidiary companies of the Organization showed an increase of 15.7% over the last fiscal year.

Prospects for future improvement are most encouraging.

The Net Earnings of the Company available for dividends, after making all deductions as shown in the Consolidated Statement of Earned Surplus and Profits, amounted to $262,213.50 as compared with $205,574.25 for the year immediately preceding.

The Total Current Assets of your Company, as shown on the Consolidated Balance Sheet, amounted to $4,266,798.19 and Current Liabilities to $391,948.25, leaving Net Current Assets of $3,874,849.94, a ratio of over 10 to 1.

Dividends were paid on the Preferred Stock during the year at the rate of 7% per annum and amounted to $242,200.00.

The Earned Surplus now stands at $3,782,241.12 as compared with an Earned Surplus at August 31st, 1935, of $3,779,175.16.

All units of the Organization and their employees continue on the basis of the utmost harmony and efficiency, and the loyalty and co-operation of the employees have contributed in no small degree to the results for the year. Grateful thanks are extended to them on behalf of the Management.

Respectfully submitted,
GEO. A. MARTIN, President.

Montreal, Que., December 1st, 1936.

Consolidated Balance Sheet, August 31, 1936

ASSETS

Property Account:			
Balance, August 31, 1935, with the cost of subsequent additions		$9,019,116.20	
Less: Reserve for Depreciation		2,069,194.82	$ 6,949,921.38
NOTE: Based on the appraisal made as of Dec. 31, 1934, by the Canadian Appraisal Company Limited, the present depreciated value of Land, Buildings and Equipment (including net additions since date of appraisal) is $3,142,098.83. The balance of the book value of Property Account is represented by Formulae, Trade Marks, Processes and Goodwill.			
INVESTMENTS IN AND ADVANCES TO PARTLY OWNED SUBSIDIARY COMPANIES:			
Investments, at cost		$ 527,765.85	
Advances		198,173.37	725,939.22
CURRENT ASSETS:			
Inventories as determined and certified by the Management, and valued on basis of cost or market, whichever was the lower		$ 2,057,777.88	
Trade Accounts and Bills Receivable, less Reserve		1,418,900.86	
Other Accounts Receivable		94,769.92	
Amounts due from Shareholders		37,222.80	
Marketable Securities, at cost	$324,267.29		
Less: Depreciation written off (Market value $179,701.50)	148,905.50	175,361.79	
Cash		482,764.94	4,266,798.19
INSURANCE AND TAXES PREPAID			43,621.50
			$11,986,280.29

LIABILITIES

Capital Stock:		
Seven Per Cent Cumulative Preferred:		
Authorized—40,000 Shares of $100.00 each	$ 4,000,000.00	
Issued—34,600 Shares of $100.00 each	$ 3,460,000.00	
NOTE: Dividends aggregating $14.00 per share have accumulated on the Preferred Shares, and are unpaid.		
No Par Value Ordinary. Authorized—225,000 Shares. Issued—200,000 Shares	4,000,000.00	$ 7,460,000.00
DUE TO PARTLY OWNED SUBSIDIARY COMPANY		332,090.92
CURRENT LIABILITIES:		
Trade Accounts Payable and Accrued Liabilities	$ 176,031.33	
Mortgage Payable, with Interest Accrued	8,120.00	
Deposit Accounts	140,406.69	
Provision for Dominion, Provincial and Other Taxes	67,390.23	391,948.25
RESERVE FOR ALLOWANCES TO RETIRED EMPLOYEES		20,000.00
EARNED SURPLUS—as per statement attached		3,782,241.12
CONTINGENT LIABILITY: In respect to guarantee of Bank Loans of partly owned subsidiary companies $28,000.00		
		$11,986,280.29

APPROVED ON BEHALF OF THE BOARD:
JOHN C. NEWMAN, Director.
P. F. SISE, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the books and accounts of The Sherwin-Williams Company of Canada, Limited and its Wholly Owned Subsidiary Companies for the year ending August 31, 1936, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the attached Consolidated Balance Sheet at August 31, 1936, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of The Sherwin-Williams Company of Canada, Limited, and its wholly owned Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the books of these Companies.

In accordance with Section 114 of the Companies' Act 1934, we also report that the Company's proportion of the aggregate net losses of partly owned subsidiary companies amounting to $12,170.25 has not been provided for in the above accounts.

CONSOLIDATED STATEMENT OF EARNED SURPLUS AND PROFITS
AUGUST 31, 1936

Net Operating Profits for year ending August 31, 1936, before taking into account the items shown below		$ 390,683.71
Add:		
Interest and Dividends on Investments	$ 9,125.85	
Profit on Sale of Investments	5,138.91	
Dividend from partly owned Subsidiary company	50,000.00	64,264.76
		$454,948.47
Deduct:		
Provision for Depeciation	$ 46,094.77	
Provision for Dominion and Provincial Income Taxes	45,000.00	
Allowances paid to Retired Employees	19,314.26	
Directors' Fees	3,946.67	
Legal Fees	1,761.67	
Salaries paid to twelve Executive Officers of Companies consolidated herein	76,617.60	192,734.97
		$ 262,213.50
Earned Surplus, balance at August 31, 1935	$ 3,779,175.16	
Deduct: Deficits as of August 31, 1935 of Subsidiary Companies not previously consolidated and other prior years adjustments—net	[illegible]	[illegible]
Deduct: Dividends [illegible] 7% paid during the year [illegible]		

...rers ...osses ...1936

...miums De- ...From ...al

...37%

...in premium ...even more ...in losses, ...the Canadian ...Association on ... of the asso- ...the bulk of ...hail insur- ...Prairie Provinces, ...$377,447 in the ...September. Hail ...always expire ...the harvest ...This total is 27% ...the decrease ...evident in Sas- ...premiums drop- ...to $365,948. ...Saskatchewan ...season totalled ...half those of the ...provement in this ...nt in all three ...atchewan regis- ...ally low total of ...that province ...22.09%. Manitoba ...1935 loss ratio figure ...for Alberta, al- ...from 1935, is still ...80.68%. ...figures by provinces

...Experience 1936

	Premiums $	Losses $	Loss Ratio %
	65,600	18,430	28.09
	365,948	80,868	22.09
	145,899	117,715	80.68
	577,447	217,013	37.58
1935			
	101,080	57,280	56.66
	525,203	253,517	48.27
	162,826	143,291	88.00
	789,109	454,088	57.54

...with the previous ...Phoenix of Hart- ...nd Aetna groups, all ...in excess of $100,- ...group, the Phoenix, ...re in 1936. Premium ...Phoenix of Hartford ...$132,843, compared ...year ago, but loss ...much more favor- ...ll company groups ...lume this year, and ...ception of the Con- ...mprovement in loss

...losses of the vari- ...nd company groups,

...rance in 1936

	Premiums $	Losses $
	14,078	2,879
	18,153	8,036
	7,911	2,582
	6,529	2,503
	12,344	1,774
	14,078	5,689
	13,618	5,681
	86,711	29,144
	15,298	9,393
	17,466	12,401
	24,322	11,627
	7,280	4,021
	14,467	6,344
	78,833	43,786
	22,971	10,159
	3,585	6,887
...cy	5,179	3,072
	12,649	3,655
	44,384	23,773
	34,401	6,321
	21,336	8,416
...riters	13,947	3,578
	11,332	6,761
	81,016	25,076
...ford:		
	15,121	7,252
	74,341	23,109
...ire	13,787	5,932
	15,673	10,983
...Fire	13,921	4,299
	132,843	51,575
...Co's.:		
...& M.	33,495	6,707
...London	13,947	3,578
	15,815	7,157
...urity	15,228	4,243
...derwriters	10,362	5,990
...f Paris	51,538	11,771
...Scottish	6,573	1,284
...Agency	6,712	2,927

Lumbermen's Issues Statement

Assets Total $2.3 Millions at End of October

In order to combat unfavorable rumors concerning the company, arising from investigation into the affairs of Manufacturing Lumbermen's Underwriters, a company with which it has no connection, but with which it is sometimes confused, the Lumbermen's Underwriting Alliance has issued a financial statement as at Oct. 31, 1936.

Total assets are carried at $2,268,334, about $306,000 under the figure at the end of 1935. The decline is apparent in cash, which has been reduced $300,000 to $1.2 million, and in security holdings which have dropped $71,000 to $242,786. In liabilities most of the reduction can be found in "total guaranty fund and surplus and reinsurance reserve" which is $275,000 lower than in December.

The Lumbermen's Underwriting Alliance, a reciprocal insurance exchange, has transacted business in Canada since 1912; with a Dominion license since 1932. More than $2.5 millions has been paid to Canadian policyholders, and deposit maintained with the receiver-general at Ottawa is double the legal requirement.

Alfred M. Best Co. accord the company its highest policyholders rating, stating that "on its record the management is entitled to full confidence."

Obituaries

Alexander C. Batten, president and managing director of Rapid Grip &

NFLD. MANAGER

H. G. R. Mews, widely known Newfoundlander who has been appointed district manager for North American Life in Britain's oldest colony.

For many years Mr. Mews was secretary of the Newfoundland Board of Trade and latterly has been secretary of the newly formed Salt Codfish Board of Newfoundland. At one time Mr. Mews was associated with Goodyear Tire & Rubber Co.

Great-West Places $5 Millions More

Over $5 millions of new business was placed by representatives of Great-West Life in a special November drive conducted in honor of the company's president, George W. Allan, K.C.

On a basis of "applied for" business, the company made a two-year record, with 2,258 sales averaging $2,920 each—an increase of approximately $500 a sale.

Toronto No. 1 agency, under management of H. A. H. Baker, led in "placed" business, and the company's Winnipeg agency, under C. F. Dunfee, led in applied volume.

Gen. America Leaves Ontario

Reinsures Outstanding Policies With Halifax Fire

Fire and casualty insurance of the General of America group of companies in the province of Ontario, from which field they withdrew recently, has been reinsured with the Halifax Fire Insurance Co. About three months ago management of the Halifax Fire was assumed by the Home Insurance Co. of New York, although there was no change in the financial set-up of the former company.

The three companies concerned, the General Insurance Co. of America, First National Insurance Co. of America and the General Casualty Co. of America, withdrew from the province "in view of the highly competitive conditions existing in Ontario at the present time."

While the action affects all lines of business, it was taken primarily because of the automobile insurance situation. The companies, after disappointing experience in this field last year, placed automobile business on a selective basis last spring, choosing only the better class of risk. While this has had the effect of reducing losses, it has also cut into premium volume. The belief that automobile insurance rates are much too low, and that the cycle of fire losses is beginning its upward trend, are said to have been chief factors influencing the companies' decision to withdraw from the field.

American Reciprocal In Voluntary Bankruptcy

The Manufacturing Lumbermen's Underwriters, a Kansas City reciprocal exchange with considerable business in Canada, has been adjudged bankrupt. The decision was rendered in United States district court following the filing of a voluntary petition by the Rankin-Benedict Underwriting Co., attorney-in-fact of the reciprocal.

If upheld, the action will mean the end of the exchange and will end all litigation which was pending previous to the bankruptcy proceedings. It is believed, however, that the voluntary bankruptcy will be fought.

Miss Whitton Will Aid Employment Commission

Arthur Purvis, chairman of the National Employment Commission, announced this week the commission had obtained, through co-operation of the Canadian Welfare Council, the services of Miss Charlotte Whitton, the council's executive director.

Miss Whitton, whose services will be temporary, will make a special investigation into phases of the unemployment relief problem which relate to co-ordination of governmental and voluntary agencies for relief and social services.

Travellers

J. W. Burdick, general sales manager, and J. E. Hendricks, general superintendent, Dominion Stores Ltd., are making a tour of the company's stores in Nova Scotia.

* * *

G. R. Duncan, president of the Northwestern Ontario Associated Chambers of Commerce, and past president of the Fort William Chamber of Commerce, notes a more favorable feeling among Montreal businessmen toward the proposed deep waterway project from the ocean to Fort William and Port Arthur, fol-

Three Legaré Officers Guilty Of Conspiracy

P. C. Falardeau and Fortier Brothers Convicted of Fraud

From Our Own Correspondent

MONTREAL.—J. H. Fortier, P. W. Fortier, and P. C. Falardeau, former officials of the bankrupt P. T. Legaré Co., have been found guilty on charges of conspiring to defraud. They are liable to a maximum sentence of seven years.

The charge against the three former Legaré officials was made last spring following a complaint by a creditor of influence some time after it had gone into bankruptcy.

Deals Were Questioned

Evidence brought up by the Crown included transactions between the General Investment and Finance Corp. and the Legaré Co. involving sale of properties of Dominion Woodwork Co., Percival Plow and Stove Co. and l'Evénement, a Quebec newspaper.

According to evidence, the General Investment Corp. bought the properties and resold them to the parent firm a short time after the initial purchase at a profit of more than $100,000.

A. Riopel, former manager of the General Investment and Finance Corp., testified that no record of the alleged profit was kept in the minutes of the investment firm after the transaction. He contended that no money or cheques changed hands in the deal with the Legaré Co.

Other witnesses told the court they had signed blank cheques without authorization at the request of Legaré officials, not knowing for what purpose the cheques were to be used. On the other hand, representatives of Larue, Trudel and Picher, Quebec auditing firm, declared balance sheets of the now bankrupt company were apparently in good order just before going into receivership in 1935.

Judge Views Evidence

In summing up the evidence for the jury, Judge J. A. Prevost referred to real estate deals carried on in 1927 and 1928 between P. T. Legaré Co. and its subsidiary, General Investment and Finance Corp., and the method adopted in financing notes during this period and afterward.

His Lordship suggested that companies of the nature of the Legaré subsidiaries, which have no legitimate excuse for existence, should be denounced, because it was through their medium that the Legaré failure had been delayed.

He pointed out the accused had been directors of P. T. Legaré and Co., Percival Plow and Stove Co., l'Evénement and Dominion Woodwork Co.

From deals whereby the properties of the three latter concerns were sold to General Investment Corp. and resold to the Legaré Co. at a profit of more than $100,000, it was to be gathered the officials must have been in agreement in a conspiracy, Judge Prevost concluded.

What's What In Advertising

By TORY FLEMING

New campaigns for Smith Bros. cough drops and cough syrup have been released by Baker Advertising agency. The cough syrup is a new product being advertised in Canada for the first time.

* * *

Fall advertising for C.C.M. skates is featuring "matched sets," a new sales-getting idea in which the company advertises the fact that every pair of skates is accurately matched and properly fitted to proper shoes. Played up also is the fact that every player but one on last season's Stanley, Allan and Memorial cup winners wore C.C.M. skates. The campaign is directed by James Fisher Co.

* * *

General Foods Ltd. is making a special offer in its Quebec and Maritime advertising, giving a bar of Baker's chocolate free with every one-lb. tin of Baker's cocoa. Copy has been released by Baker Advertising Agency.

* * *

The Hutchins Advertising Co. of Canada, branch of the Hutchins Advertising Co., Rochester, N.Y., will enter the agency field in Canada, with headquarters in Toronto. Among the accounts to be handled by the new firm is Philco Radio, beginning the first of the year.

* * *

Princess soap flakes, product of Colgate-Palmolive-Peet Co., Toronto, will again be advertised under the direction of Lord and Thomas of Canada after Jan. 1, 1937.

* * *

Voicing some home truths about advertising, Walter Brown, well-known account executive of the Ronalds Agency, in a recent address before the Montreal Advertising Club condemned the practice of keeping down preparation costs in trade paper copy as false economy. "There is no ideal ratio between preparation costs and space costs," said he, "and it is just as essential to make a good impression with your trade paper advertising as with your consumer copy. Yet many firms are loath to spend enough money to do a real job, simply because they relate the expenditure to the cost of space—and they blame the publications when they don't get results."

* * *

Famous for their slogan, "Fish She Is Very Small," Millionaire sardines are featured in a newspaper campaign just opened. Advertising will continue throughout the winter and other media will be considered as plans mature. The Benison Co. is handling the account.

Brokerage Partnership

[illegible]—W. Burgess has

Suggests Pension Plans Solve Personnel Problems

One solution to industrial personnel problems such as were raised recently by the Globe-Mail merger in Toronto and discussed in The Post last week, is found in the life insurance pension plan.

The important place that these plans can play in industrial relations is shown clearly in the following letter sent to The Post this week by the general manager of one of the leading life insurance companies in Canada.

In order that the general point can be understood without reference to any one company, he has asked that his name be omitted.

His letter follows:

Editor, The Financial Post.

Referring to your article, "Wide Personnel Problems Raised by Sale of Mail," appearing in The Financial Post of Nov. 28, and without any desire on our part to enter into a controversy regarding whether the obligation to protect old employees among the former Mail and Empire staffs rests upon the buyer or seller of that paper, the fact remains that many employees who gave the Mail and Empire long and faithful service now find themselves suddenly thrown out of employment, without any provision for their old age.

Life insurance companies, through pension plans, are able to offer a solution of the problem involved when employees find themselves out of work as the result of amalgamation of employers. Having had a wide experience in this matter, life insurance companies, through pension plans, are able to provide that employees shall receive definite guaranteed benefits which are not affected either by the amalgamation or by the winding up of companies.

The funds guaranteeing these pension benefits are in the hands of the insurance companies and are free from any danger arising out of the amalgamation, bankruptcy or the "ups and downs" of the business of the employer. They are subject to the supervision of the various Superintendents of Insurance, ensuring, therefore, that the funds shall be safely managed, and it may, perhaps, be pointed out, at this time, that "No policyholder has ever suffered loss through the failure of any Canadian life insurance companies to discharge in full all liabilities under its contracts."

Fam. Players Has Increase In Earnings

Gross and Net Record Steady Gains This Year

CHRISTMAS DIVIDEND

Famous Players Canadian Corp. has enjoyed steady and satisfactory improvement in net earnings this year, The Financial Post is informed.

Gross revenues have improved steadily but not sensationally. The company is making substantial economies in interest charges through the recent refinancing of its bonds. The full interest savings will not be realized in 1936, however, because the reduced rates were effected only a few months ago.

Christmas Dividend

Declaration of a dividend of 60 cents a share, payable Dec. 22, to shareholders of record Dec. 15, reflects this year's higher earnings. Officials feel the improvement will continue.

The dividend is the first since April, 1935, but is not to be regarded as a regular payment. It will be covered comfortably by this year's earnings. Dividend policy for next year is expected to be guided by future results.

The dividend involves payment of nearly $240,000 on the 397,524 common shares of Famous Players. About 96% of this goes to Paramount Pictures Inc., the parent company.

Bond Position

Improvement in Famous Players earnings is of interest chiefly to bondholders. The interest was earned more than twice, after depreciation, in 1935. Owing partly to the reduced amount of interest charges, and to higher revenues, the interest will be covered by a considerably wider margin this year.

An important effect of the higher earnings is to make it easier for Famous Players to meet payments of maturities of serial bonds issued this year. The $2.1 millions of serials mature $350,000 annually each June 1, starting in 1937. About half the funds to pay for the redemption each year will be realized from the saving in interest charges.

Six years of these serial redemptions of $350,000 each would leave outstanding only the $5 millions of 4½% bonds which mature in 1951. Sinking fund on these starts to operate in 1934, after all the serial bonds have been paid off.

Results in 1935

In 1935 Famous Players had net earnings of some $1.2 million, after depreciation, available to meet bond interest of $522,334. After charging amortization, reorganization expenses, taxes and allowing for minority interests, net profits were $285,676, equivalent to 72 cents a share on the common stock.

Expenses in connection with refinancing will be charged against surplus which stood at $3.9 millions in 1935.

New Industries

Luscomb Aircraft Corp., of West Trenton, N.J., is reported to be represented at conferences in London, Ont., held with a view to opening a manufacturing branch of the company in London. The company builds all-metal airplanes.

* * *

Bell Telephone Co. of Canada is receiving tenders for construction of the new telephone exchange building at Drummondville, Quebec.

* * *

Hutchings and Patrick Ltd., manufacturing stationers have commenced operations on a new $15,000 stationery plant at Ottawa.

* * *

American Can Co. is reported to be planning extensive additions to its plant at Simcoe, Ont. It is reported the new addition will be used to increase shipping facilities.

* * *

P. S. Halpin and Co. Ltd. has acquired factory accommodation at Mount Brydges, Ontario, and will manufacture cabinets. More than $20,000 worth of machinery is being installed and a steam heating plant is in operation. Electric power will be used.

Sir W. Woods Named Nfld. Commissioner

Sir Wilfred Wentworth Woods has been appointed to Newfoundland's commission government, succeeding Hon. Thomas Lodge, whose term expires next February.

Sir Wilfred, who becomes Commissioner for Public Utilities, has [illegible]

Cons. Rubber Calls 6% Bonds

Dominion Rubber Co., Montreal, has called for redemption at 110 on April 1, 1937, all the $2.4 millions of outstanding 6% collateral trust bonds of Canadian Consolidated Rubber Co., due 1946. No new financing is contemplated, funds to meet the redemption being already available.

Canadian Consolidated Rubber is controlled by Dominion Rubber, which in turn is controlled by U. S. Rubber Co. Dominion Rubber Co. 5% first mortgage bonds, due 1947, are not callable.

Bank of Montreal Names Executive

L. L. Lang, of Galt, Elected to Board — W. A. Bog Vice-President

From Our Own Correspondent

MONTREAL.—Directors of the Bank of Montreal, with the addition of Louis L. Lang, Galt, Ont., were re-elected at the annual meeting of shareholders.

At a subsequent meeting of the board Sir Charles Gordon was re-elected president and H. R. Drummond and Hon. S. C. Mewburn were re-elected vice-presidents. W. A. Bog, who had resigned as general manager, and who was already a director, was appointed a vice-president and a member of the executive committee. The committee now consists of Sir Charles Gordon, H. R. Drummond, Hon. S. C. Mewburn, Sir Edward Beatty and W. A. Bog.

To fill the vacancy caused by Mr. Bog's retirement from active duties, G. W. Spinney was appointed joint general manager, a position also held by Jackson Dodds.

Brokers Discontinue Coronation Insurance

London insurance brokers have suspended all new insurance business against postponement of the coronation ceremonies next spring. The action was taken in view of "prevailing uncertainty" and the refusal of the public to pay the unusually high rates demanded.

Just before suspension the rates had been almost doubled, some brokers asking premiums more than 50% of the face value of the policy.

GLOBE ENVELOPES LIMITED
Makers of Well Gummed Envelopes
360 ADELAIDE STREET WEST-TORONTO

The Wawanesa Mutual Insurance Company
Canada's Largest Fire Mutual
A leading All-Canada Company — in volume; in strength; and in service to "select" property-owners and agents.
Home Office, Wawanesa, Man. Eastern Office: 341 Church St., Toronto. Branches in Vancouver, Edmonton, Winnipeg, Montreal, Moncton.
FIRE, WINDSTORM, AUTO, CASUALTY

Standardize
Office atmosphere and appointments play a big part in your business reputation. It's good taste to make your offices attractive. It's good business to equip your staff with proper working facilities.
Standardize on reliable products
OFFICE SPECIALTY MFG. CO.
NEWMARKET, CANADA
Branches in Principal Canadian Cities

Industry Aids Relief Drive

Red Cross Would Supplement Government Relief Measures in West

Appealing particularly to industrial groups, the Canadian Red Cross Society has launched an intensive drive to raise $750,000. Some 35 industries have been approached in an attempt to raise funds to supplement government relief activities in western drought areas.

The objective is to organize the various units in each industrial classification, so that a joint contribution may be made. Already, textile firms have made a very substantial donation, for the most part in actual merchandise. Dominion Textiles, Ltd., has put up $50,000 worth of goods, and other concerns in the industry have contributed $60,000, with $40,000 yet to come. J. W. McConnell, prominent Montreal industrialist, has sent in a further $50,000.

250,000 on Relief

The $750,000 goal will mean but $3 for each person on relief in the drought areas of the three Prairie Provinces, if estimates of the society are correct. Of the 250,000 western farmers on relief, no less than 200,000, representing about 40,000 families, are in Saskatchewan where last summer's wheat crop was most severely affected by drought.

The Federal Government is subsidizing the provinces in this respect for outlay on food, fuel, a limited amount of clothing, feed for livestock, and seed. The purpose of the Red Cross is to supplement this work by providing those household necessities which are not included under the Government's operations. There is a lack of bedding especially, and a number of other essentials such as window glass, and stovepipes.

Officials of the society state that all but $4,000 or $5,000 of the objective will go to actual relief work. Administrative costs represent a very small fraction of the total.

EMPIRE LIFE INSURANCE COMPANY KINGSTON, ONTARIO
ON A SOLID FOUNDATION

ESTABLISHED IN 1850 ÆTNA SYMBOL OF SECURITY
The Ætna Life Insurance Company, writing Life, Group, and Accident insurance, has been a Canadian institution since 1850 . . .
CALGARY • MONTREAL • TORONTO • VANCOUVER • WINNIPEG

Does your Fire Insurance PAY DIVIDENDS?
BRANCHES:
Toronto
Hamilton
Ottawa
Montreal
Quebec City
St. John
Halifax
Winnipeg
Saskatoon
Calgary
Edmonton
Kelowna
Victoria
Vancouver
Under the Northwestern Mutual plan, the annual surplus or profit is paid back to policyholders in the form of dividends. These amounted last year to $1,098,428. Ask our nearest office for particulars.
NORTHWESTERN MUTUAL FIRE ASSOCIATION
Non-Assessable Policies Assets $6,000,000

THE MANUFACTURERS LIFE INSURANCE COMPANY
Asks "WHO?"
WHEN death or old age stops your earning power
WHO will support your wife—your children—your home? Who will support you, if you live?
We have policies that will do these things for you.
HEAD OFFICE
TORONTO, CANADA
Established 1887

I have the Solution to your Problem
"My associates and I have helped 145,000 persons in the past year to arrange financial security for themselves and their families.
"We are specially trained to render such service and are fortunate in that our Company's name is a hallmark of integrity and strength.
"May we help you in your plans
—to educate your children
—to provide for your wife or other dependents in case of your prior death
—to protect your business interests
—to furnish funds upon which to retire
—to clean up all debts at death, including Succession Duties, unpaid taxes and other bills?
"With proper provision for the future there is greater enjoyment of present living.
"May we talk it over with you?"
Established 1874
London Life Insurance Company
"Canada's Industrial-Ordinary Company"
HEAD OFFICE • LONDON, CANADA

Insurance Problems Due to Competition

J. H. Riddell Advocates Fewer Fire, Casualty Companies

Contending that intensive competition in the last few years has created "abuses" in the fire and casualty insurance business which must be corrected, J. H. Riddell, Canadian chief agent of the Eagle, Star and British Dominions Insurance Co., suggests that companies operating on the group system substantially reduce the number of their subsidiaries.

Speaking at the inaugural meeting of the reorganized Toronto Insurance Institute, of which he is president, Mr. Riddell placed a part of the blame for excessive competition on limitation of agency representation in certain centres.

"It is rather significant," he said, "that in the United States in the National Board of Fire Underwriters there are 196 companies which, in 1935, wrote fire premiums amounting to $381.7 millions. In Canada, more than 242 companies wrote fire premiums amounting to $41.9 millions.

"Far Too Many Companies"

"The obvious answer is that there are far too many companies operating in a country with a population of 10 to 11 millions, relative to the amount of business available. Operation of the group system under which parent companies have brought into operation or formed subsidiary companies due to the limitation of agency representation in certain centres is, to some extent, responsible for this condition. It would be sound business if, in the general interest of company and agent, those companies operating on the group system substantially reduced the number of subsidiary companies. This can only be accomplished by the whole-hearted cooperation of the companies concerned.

"We have heard a great deal in recent years about the lack of confidence between nations, governments and firms engaged in different classes of business. What we need to restore in this business of insurance is confidence between the companies, realizing that unless we have that confidence which should exist between companies, reforms in our business which are necessary cannot be made effective. Surely the companies owe a duty to their staffs to see that they operate among themselves on the basis of playing the game, thus offering the protection which their staffs are entitled to as the future executives of the business.

Insurance Lags

"In Canada, without doubt, trade conditions have improved, but we shall probably have to be patient and wait six months or a year before the particular business we are engaged in benefits from that improvement. We cannot overlook the fact that the methods of merchandising and distribution have practically been revolutionized. In years gone by, wholesalers and general storekeepers carried large stocks. One has only to look around the city of Toronto to see the number of wholesale houses that have disappeared, to realize that large values which were insurable are no longer available to the companies.

Rates and Reserves

"We are also faced with another problem—the demand that rates are too high. It is true that for the last three years, especially in the fire business, we have incurred loss ratios which are below normal, which gives an opportunity for those not familiar with the basis of rates to consider that they are entitled to a reduction.

"This is a fallacy, and the impression should not be allowed to continue. Those engaged in this business should know that over a long period of years a percentage of the profits made in the good years must be set aside to take care of the lean years. It is evident at the present time, both in the United States and Canada that the loss ratio is rising, and there is nothing more certain than that we are not going to be favored with the loss ratio which has pertained over the last three years.

Average Profit Low

"From 1869 to 1935, premiums written by Dominion-licensed companies were $1,344.8 millions, and total losses incurred $741.5 millions, a loss ratio of 55.14%. The average net underwriting profit over this period is just under 5% which cannot be termed an exorbitant profit.

"In the last 10 years, the average rate has dropped from 98c. to 70c. While this reduction is due to a certain extent to the improvement in construction and protection, without question part of the reduction is due to competition.

"There are bound to be cycles in underwriting experience, and even when competition is exceedingly severe, it behooves us not to bring rates down to a figure which can only result in a balance on the wrong side, but rather to maintain rates on a sound basis and see that they are fair, not only to the companies, but to the public.

"It is a very difficult thing to make an underwriting profit on automobile business today. Competition is severe, and yet, due to this competition, one is forced to the conclusion that with rates which are prevalent, the business will be written at a loss.

Speed Craze

"The craving for speed, especially on the part of youth, is responsible for many of the accidents which occur. Automobile manufacturers take a pride in advertising the speed at which their cars can travel, and while our highways are good in this province (Ontario) they are not as new or modern as many of the highways in the United States. It sometimes seems to me that the automobile manufacturer is building a car for a speed suitable to American highways and not Canadian highways. The increase in automobile traffic will create a demand for wider and better highways. The other main cause of accidents is cutting in, and the essential quality necessary as a preventive of all accidents is 'courtesy.'

Casualty Prospects

"The total casualty premiums written in 1925 in comparison with 1935 show very little change, eliminating the premiums written for workmen's compensation business which has now almost entirely disappeared. However, with improved general conditions the casualty premiums should increase. It is true that with unfavorable general conditions an assured will probably drop his policy for burglary, accident or other classification before he will drop his fire policy. However, due to the diversification of lines to be written under this heading, the field for casualty business in Canada offers opportunities for development to a much greater extent than fire business, and the time may not be very far away when the income from this source will equal that of fire. A man with a good general knowledge of casualty business need have nothing to fear for the future."

Life Institute Sets Tentative Programme

Tentative programmes for December, February and March meetings of the Life Insurance Institute of Canada have been announced by officers of the Association. The meetings are all to be held at Toronto.

On Dec. 10 three addresses will be given as follows:

"An Introduction to Life Insurance Accounting," by C. A. Burns, Canada Life.

"Taxation of Life Insurance Companies," by J. B. Hawson, Mutual Life of Canada.

"Succession Duty Requirements," by J. H. Wainwright, Canada Life.

Dr. J. M. Livingston, medical director, Mutual Life of Canada will discuss "Medical Factors in the Selection of Risks" Feb. 11 and Mar 11, O. D. Newton, secretary, London Life will talk on "Trends in Personnel Administration."

The annual meeting of the Association will be held in June.

Dr. ALLON PEEBLES

IN CHARGE OF NEW ACT

VANCOUVER.—Delay in obtaining return of questionnaires will probably result in suspending operation of British Columbia's health insurance legislation until some time next spring, but meantime Dr. Allon Peebles, director of the programme, is going ahead with organization.

It is understood the original estimates of costs will have to be revised, as the expected expenditure will exceed the amounts on which the scheme was based. The legislature appropriated another $50,000 for the scheme during the recent session.

The scheme is to be administered by a commission of from three to five, including the administrator, Dr. Peebles, a representative of the employers and a representative of the employees. There will also be a small technical advisory council.

Dr. Peebles, a native of New Westminster, 36 years old, has an interesting background in economics and health administration. He was educated at the University of British Columbia, University of California and Columbia University. He was in the secretarial department of Mutual Life of Canada for two years, and was an instructor in economics at Columbia. He was a research associate and field secretary for the committee on costs of medical care, Washington, D.C., and was later in the employ of Northern Life of Canada.

When the British Columbia Government first studied the possibilities of health insurance, Dr. Peebles was called as adviser, and he remained to become its director and chairman of the health insurance commission.

U.S. Life Firms Report More Holdings Here

Investment of American Companies in Canada on Increase

REALTY DOUBLED

A bird's-eye view of the investments of leading U. S. life insurance companies in Canada during 1935 was presented at the annual meeting of the Association of Life Insurance Presidents at New York last week.

According to Guy W. Cox, president, John Hancock Mutual Life of Boston, Canadian investments of 49 legal reserve life companies at the end of 1935 reached $760.8 millions an increase of over $40 millions or 5.6% during the year. This compares with an increase of 6.3% in the total investment of all these companies in the same period.

Two striking points stand out in the analysis.

It is shown that holdings of real estate jumped 105.4% in Canada the total now standing at $8.6 millions compared with $4.2 millions at the end of 1934.

Rail Bond Holdings

The second interesting change is an increase of 17.1% in holdings of these companies in Canadian railway bonds and stocks. Total holdings now stand at $77.4 millions compared with $66 millions at the end of 1934.

The increase is particularly striking when compared with a decrease in total holdings of railway bonds and stocks of over 1%. With the exception of the Middle Atlantic States, Canada was the only territory where holdings of railway securities showed an increase.

Study also shows that the reserves of these companies in Canada at the end of 1935 amounted to $397.8 millions, an increase of 2.9% during the year. Thus these companies now hold a ratio of 191.2% of investments to reserves in Canada as compared with a corresponding figure last year of 186.5%. This compares with a total for the entire assets of these companies of 110.7%.

Comparative figures for the distribution of these funds in various types of assets in Canada are as follows:

Canadian Investments and Reserves of 49 Legal Reserves U. S. Life Insurance Companies

Investments:	1935 $	1934 $	Change %
Farm mtges.	6,555,000	6,744,000	—2.8
Other "	70,767,000	78,198,000	—9.5
Total	77,322,000	84,942,000	—9.0
State, county, municipal & for'n. govt. bonds	469,164,000	439,869,000	+6.7
Rly. bonds & stocks	77,386,000	66,061,000	+17.1
Pub. utility. bds. & stks.	39,657,000	38,744,000	+2.4
Other bonds & stocks ..	18,410,000	16,188,000	+13.7
Total	604,617,000	560,862,000	+7.8
Policy loans & prem. notes.	60,967,000	61,637,000	—1.1
Real estate..	8,580,000	4,178,000	+105.4
Cash	9,323,000	9,049,000	+3.0
Total	760,829,000	720,668,000	+5.6
Reserves	397,829,000	386,508,000	+2.9
Ratio of invest. to reserves .	191.2	186.5	

Canadians Attend Insurance Meeting

Canadians registered at the annual meeting of the Association of Life Insurance Presidents at New York last week included the following:

C. S. V. Branch, 2nd vice-pres., Sun Life;

F. C. Capon, life manager for Canada, Prudential of England;

J. E. Chandler, publicity officer, Sun Life;

C. B. Devlin, general superintendent of agencies, Confederation Life;

J. A. Ewing, legal adviser, Sun Life;

C. P Fell, president, Empire Life;

G. D. Finlayson, superintendent of insurance for Canada;

R. Leighton Foster, general counsel, Canadian Life Insurance Officers' Association;

H. W. Hale, secretary, Sun Life of Canada;

Wm. Hastie, assistant general manager and treasurer, Canada Life;

Leighton McCarthy, president, Canada Life;

S. C. McEvenue, general superintendent, Canada Life;

E. A. Macnutt, vice-president and treasurer, Sun Life;

H. W. Manning, assistant general manager, Great West Life;

A. N. Mitchell, vice-president and gen. mgr., Canada Life;

A. E. Pequegnat, assistant general manager, Mutual Life of Canada;

J. G. Stevenson, assistant general manager and superintendent of agents, London Life;

Arthur B. Wood, president and managing director, Sun Life;

C. S. Macdonald, president, Confederation Life;

Hon. Thomas A. Crerar, Ottawa.

Damages Are Limited In Goods Plans Action

Any damages which may be awarded Underwriters' Survey Bureau in its action against Massie & Renwick, Ltd., for alleged infringement of copyright in regard to fire insurance plans, technically known as Goods Plans, will be limited to the last three years. Such was a judgment rendered by Mr. Justice MacLean of the Exchequer Court in Montreal. In other words, damages cannot be recovered for plans acquired by the defendants more than three years before the action was started.

The decision was based on section 24 of the Copyright Act, which provides that "an action in respect of infringement of copyright shall not be commenced after the expiration of three years next after the infringement."

Facts of Term Insurance Diagnosed by Expert

An age-old life insurance problem is the merit—pro and con— of purchasing term insurance as compared with ordinary life policy. The following analysis was made by Meyer Chaimis, a New York insurance expert with a long record of experience in government and commercial accounting. It is reprinted through courtesy of Eastern Underwriter, New York, as being of wide interest to Canadian life insurance underwriters.

"All I need is protection. Term insurance is what I want."

"If I die the company keeps my money. Give me term insurance. I'll do my own saving."

Sound familiar? It is not new. We have heard it so many times that some of us begin to wonder if it can be true. Is it true? We know it isn't, but how shall we convince the well-meaning but ill-informed or misguided?

We know that only in one-year term or in yearly renewable term, really a series of one-year term arrangements, is there no reserve, and the full face amount is the amount at risk.

We know that in all level premium insurance there is a steadily increasing accumulation (the reserve) and a steadily diminishing amount at risk, and that the sum of both is always the face amount of the policy.

We know that on the death of the insured the company, in paying the face amount, returns the policyholder's own money (the reserve or accumulation) and in addition it pays the amount at risk (the contribution of all in the same insured group at the beginning of the year, including the deceased policyholder).

Let us examine the first of the accompanying tables.

Tables Tell Story

The non-participating rate for $1,000 ordinary life insurance is $17.64, the same throughout the life of the insured.

Column three is the accumulation of reserve, year by year, and the amounts shown are guaranteed never to be less.

Column four is the amount at risk, year by year, neither more nor less, because in every year column three plus column four always equal $1,000, the face amount.

But what about term insurance and outside savings? Well, let us see.

Column five is the non-participating yearly renewable term rate per $1,000. It may be had, at rates increasing every year, from age 20 to age 50 and may be renewed every year until age 60.

Ordinary Plan Best

Column six is the cost, year by year, at the yearly renewable term rates in column five for the same amount at risk as under the ordinary life policy in column four (column four multiplied by column five). Note that even though the amount of insurance is less each year than the year before the cost increases each year.

Column seven is the amount by which the ordinary life premium, $17.64, is greater than the cost of the amount at risk at the yearly renewable term rate as shown in column six.

Except in savings banks it is impossible to invest odd sums of money at odd times, and savings banks are the nearest approach to life insurance for safety of principal. The present rate of dividends paid by mutual savings banks is 2%. Savings accounts in commercial banks earn interest at no more than 1% per annum.

Columns eight and nine show the accumulation of the amounts in column seven at 2% and 3% respectively. Except at the very beginning, when the amounts in these columns exceed the reserve in the ordinary life policy (column three) by a few cents, the "outside" accumulation is smaller than the ordinary life reserve by steadily increasing margins, and the estate value of the sum of the term insurance and the outside accumulation is always less than the $1,000 guaranteed estate value of the ordinary life policy. To assure a total estate value of $1,000 under the term insurance and outside accumulation plan, the amount of insurance will have to be adjusted upward each year at an increase in cost of insurance and resulting in an even smaller accumulation.

The tables for insurance at ages 40 and 50 show corresponding results.

Other Ordinary Life Advantages

Waiver of premium under the ordinary life plan may be had for a slight additional charge and in the event of total and permanent disability not only will insurance for the amount at risk be continued but also the additions to the reserve or accumulation will be made.

At any age the insured may decide to retire, the accumulation in the ordinary life policy is available to him as a retirement income at rates guaranteed in advance in the contract. The outside accumulation has no such guarantee.

At the death of the insured under the ordinary life plan the accumulation as well as the amount at risk enjoys the advantage of the guaranteed income settlement options for the beneficiaries.

Life insurance may be made free from the claims of creditors of the insured and of the beneficiaries during and after the lifetime of the insured. Outside accumulations do not have this benefit.

It is clear, therefore, that not only is yearly renewable term insurance not to be preferred but it is also clear that the advantages of level premium insurance are so many and so great that no insured can afford to forego any of them.

Age 30—Non-Participating Annual Premium for $1,000 Ordinary Life—$17.64

1 Policy Year	2 Age	3 Ordinary Life Reserve	4 Amount at Risk	5 Yearly Renewable Term Per $1,000	6 Cost of Amount at Risk	7 Ordinary Life Premium Greater by	8 Excess Accumulated at 2%	9 Excess Accumulated at 3%
1	30	$ 9.45	$990.55	$ 8.30	$ 8.22	$ 9.42	$ 9.61	$ 9.50
2	31	19.22	980.78	8.40	8.24	9.40	19.39	19.67
3	32	29.33	970.67	8.51	8.26	9.38	29.35	29.92
4	33	39.78	960.22	8.65	8.31	9.33	39.45	40.43
5	34	50.58	949.42	8.77	8.33	9.31	49.74	51.23
6	35	61.74	938.26	8.91	8.36	9.28	60.20	62.33
7	36	73.27	926.73	9.15	8.48	9.16	70.75	73.63
8	37	85.18	914.82	9.40	8.60	9.04	81.39	85.15
9	38	97.46	902.54	9.69	8.75	8.89	92.09	96.86
10	39	110.14	889.86	9.98	8.88	8.76	102.87	108.79
11	40	123.20	876.80	10.31	9.04	8.06	113.70	120.91
12	41	136.66	863.34	10.66	9.20	8.44	124.58	133.23
13	42	150.52	849.48	11.04	9.38	8.26	135.50	145.73
14	43	164.80	835.20	11.44	9.55	8.09	146.46	158.43
15	44	179.47	820.53	11.90	9.76	7.88	157.43	171.30
16	45	194.56	805.44	12.41	10.00	7.64	168.37	184.31
17	46	210.02	789.98	12.96	10.24	7.40	179.29	197.46
18	47	225.88	774.12	13.57	10.50	7.14	190.16	210.74
19	48	242.09	757.91	14.25	10.80	6.84	200.94	224.11
20	49	258.64	741.36	15.08	11.18	6.46	211.55	237.49
21	50	275.50	724.50	15.97	11.57	6.07	221.97	250.87
22	51	292.65	707.35	17.14	12.12	5.52	232.04	264.08
23	52	310.07	689.93	18.44	12.72	4.92	241.70	277.07
24	53	327.73	672.27	19.88	13.36	4.28	250.90	289.79
25	54	345.61	654.39	21.52	14.08	3.56	259.55	302.15
26	55	363.68	636.32	23.32	14.84	2.80	267.60	314.10
27	56	381.91	618.09	25.74	15.91	1.73	274.72	325.30
28	57	400.27	599.73	28.44	17.06	.58	280.81	335.66
29	58	418.74	581.26	31.47	18.29	— .65	285.76	345.06
30	59	437.28	562.72	34.88	19.63	—1.99	289.45	353.36
31	60	455.85	544.15	38.69	21.05	—3.41	291.76	360.45

Age 40—Non-Participating Annual Premium for $1,000 Ordinary Life—$25.05

1 Policy Year	2 Age	3 Ordinary Life Reserve	4 Amount at Risk	5 Yearly Renewable Term Per $1,000	6 Cost of Amount at Risk	7 Ordinary Life Premium Greater by	8 Excess Accumulated at 2%	9 Excess Accumulated at 3%
1	40	$ 14.68	$985.32	$10.31	$10.16	$14.89	$ 15.19	$ 15.34
2	41	29.80	970.20	10.66	10.34	14.71	30.50	30.95
3	42	45.39	954.61	11.04	10.54	14.51	45.91	46.82
4	43	61.43	938.57	11.44	10.74	14.31	61.42	62.96
5	44	77.92	922.08	11.90	10.97	14.08	77.01	79.35
6	45	94.87	905.13	12.41	11.23	13.82	92.65	95.97
7	46	112.25	887.75	12.96	11.51	13.54	108.31	112.80
8	47	130.06	869.94	13.57	11.81	13.24	123.98	129.82
9	48	148.29	851.71	14.25	12.14	12.91	139.63	147.01
10	49	166.89	833.11	15.08	12.56	12.49	155.16	164.29
11	50	185.83	814.17	15.97	13.00	12.05	170.55	181.63
12	51	205.10	794.90	17.14	13.62	11.43	185.62	198.85
13	52	224.68	775.32	18.44	14.30	10.75	200.30	215.89
14	53	244.52	755.48	19.88	15.02	10.03	214.54	232.70
15	54	264.62	735.38	21.52	15.83	9.22	228.24	249.18
16	55	284.92	715.08	23.32	16.68	8.37	241.34	265.28
17	56	305.41	694.59	25.74	17.88	7.17	253.48	280.62
18	57	326.04	673.96	28.44	19.17	5.88	264.55	295.10
19	58	346.80	653.20	31.47	20.58	4.49	274.42	308.58
20	59	367.63	632.37	34.88	22.06	2.99	282.96	320.92
21	60	388.50	611.50	38.69	23.66	1.39	290.04	331.98

Age 50—Non-Participating Annual Premium for $1,000 Ordinary Life—$38.08

1 Policy Year	2 Age	3 Ordinary Life Reserve	4 Amount at Risk	5 Yearly Renewable Term Per $1,000	6 Cost of Amount at Risk	7 Ordinary Life Premium Greater by	8 Excess Accumulated at 2%	9 Excess Accumulated at 3%
1	50	$ 22.74	$977.26	$15.97	$15.61	$22.47	$ 22.92	$ 23.14
2	51	45.87	954.13	17.14	16.35	21.73	45.54	46.22
3	52	69.37	930.63	18.44	17.16	20.92	67.79	69.15
4	53	93.19	906.81	19.88	18.03	20.05	89.60	91.87
5	54	117.31	882.69	21.52	19.00	19.08	110.85	114.28
6	55	141.68	858.32	23.32	20.02	18.06	131.49	136.31
7	56	166.27	833.73	25.74	21.46	16.62	151.07	157.52
8	57	191.04	808.96	28.44	23.01	15.07	169.46	177.77
9	58	215.96	784.04	31.47	24.67	13.41	186.53	196.92
10	59	240.96	759.04	34.88	26.48	11.60	202.09	214.78
11	60	266.01	733.99	38.69	28.40	9.68	216.01	231.19

Monarch Life Reports Gain in November Sales

Written business of Monarch Life for the first three weeks of November is reported to show a gain of 21% over last year. For several months, both written and paid business figures have been substantially higher than in 1935.

October written business was up 38% and three eastern branches, Hamilton, London and Three Rivers, recorded all-time highs.

The increase in business in force to date this year is reported as three times the gain for the same period in 1935.

A current of confidence and optimism in Canada, more pronounced than at any time since 1929, is seen by **J. A. McAllister**, supervisor of agencies for the Sun Life Assurance Co., who is on a tour of inspection to the company's branches throughout western Canada.

Swiss Trade Report

The Swiss Federation of Commerce and Industry has published its annual report on Swiss trade and industry in 1935. Printed in French and German, it contains 270 pages and may be obtained at a price of seven Swiss francs (plus postage) from the Secretary of the Federation at Zurich.

United States
Fidelity & Guaranty
Company
TORONTO

STRENGTH — DEPENDABILITY
Competent Management
LUMBERMEN'S UNDERWRITING ALLIANCE
PRESENTS ITS FINANCIAL STATEMENT
and continues its 32 year record of unexcelled service

FINANCIAL STATEMENT AS OF OCTOBER 31, 1936

ASSETS

Cash in Office and in Banks		$1,204,814.94
Bonds—Market Value:		
U. S. Treasury Bonds, due 1946-49........	$ 26,750.00	
Dominion of Canada Bonds, due 1939.....	12,840.00	
Hydro-Electric Power Commission of Ontario Debentures, due 1937 (Guaranteed by the Province of Ontario)	202,300.00	
Interest Accrued (not due)	896.30	
		242,786.30
Guaranty Fund Deposit:		
U. S. Treasury Bills, due January, 1937		250,000.00
Premiums in Course of Collection		571,232.96
Total		$2,268,834.20

LIABILITIES

Losses in Process of Adjustment (Estimated)......		$ 149,716.06
Due Reinsuring Companies		11,436.64
Reserve for Taxes (Estimated)		25,000.00
Guaranty Fund	$ 250,000.00	
Surplus and Reinsurance Reserve......	1,832,681.50	
Total Guaranty Fund and Surplus and Reinsurance Reserve		2,082,681.50
Total		$2,268,834.20

We have made an examination of the financial statement of Lumbermen's Underwriting Alliance as at October 31, 1936. In connection therewith we examined or tested accounting records of the Alliance and other supporting evidence and obtained information and explanation from officers and employees of the U.S. Epperson Underwriting Company, Attorney-in-Fact.

Cash in office and in banks was reconciled with certificates from the depositaries. Investments and guaranty fund securities were verified by examination or by certificates from insurance departments. Deposits in course of collection were substantiated by examination of the detail accounts. So far as we could ascertain, adequate provision has been made for all liabilities, and the books have been kept in accordance with the provisions of the power of attorney.

In our opinion, based upon such examination, the foregoing financial statement fairly presents the condition of Lumbermen's Underwriting Alliance as at October 31, 1936.

Kansas City, Missouri,
November 7, 1936.

SMITH, BRODIE & HANSEN
Certified Public Accountants.

Legally licensed in Canada. Maintains a deposit in Canada equal to double the legal requirement.
ASSETS 100% Liquid
RATING by ALFRED M. BEST COMPANY, INC. A + (plus)
OVER $2,500,000 PAID TO CANADIAN POLICY HOLDERS

CANADIAN HEAD OFFICE:
1601 STAR BUILDING, TORONTO, CANADA
L. D. PAYETTE, Canadian Manager

LUMBERMEN'S UNDERWRITING ALLIANCE
U. S. EPPERSON UNDERWRITING COMPANY, Manager
10TH FLOOR, R. A. LONG BUILDING, KANSAS CITY, MISSOURI
J. J. LYNN, President

OTHER REGIONAL OFFICES:
804 Terminal Sales Bldg., PORTLAND, Oregon
Johnson Bldg., CHARLOTTE, N.C.
1000 R. A. Long Bldg., KANSAS CITY, Missouri
2315 Sterrick Bldg., MEMPHIS, Tenn.

"Don't worry about me —it's just a Cold"

Just a cold now—but it may lead to influenza or pneumonia which, on an average, cause over 8,000 deaths each year in Canada. About half of these deaths occur in December, January, February and March.

THE common cold is bad enough in itself. But the real danger is that it may blaze the trail for more serious diseases or reduce your resistance to their attacks.

Before you realize it, what you think is just a "cold" may develop into influenza or even pneumonia. Don't forget that pneumonia may also start suddenly, even without a cold.

The first symptoms of pneumonia are usually chilliness or a severe chill, pain in the chest or side, headache, cough, and fever. Such symptoms mean that not a second should be lost. Go to bed and send for your doctor. Remember that pneumonia is a communicable disease. Proper nursing, complete rest and reasonable isolation are absolutely essential.

Lobar pneumonia is caused by many different types of the pneumonia germ—but each type is specific and can be identified. Should anyone in your family have pneumonia, your doctor will probably arrange for an immediate laboratory examination of the sputum to determine which type of pneumonia is present.

Serums are available which are highly effective in treating certain of the types. Not all cases of pneumonia should have serum treatment. Your doctor will decide.

Pneumonia is a serious infection, but with the increasing defenses, medical scientists hope to reduce its heavy toll. During the next four months it will do the most damage to those who are not on guard. If your physical resistance is lowered by overwork or unusual fatigue, too little sleep, overindulgence in food or drink, or exposure to cold and wet, pneumonia germs may gain quick headway.

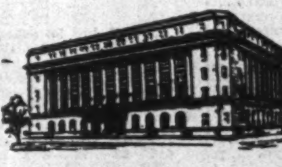
At this time of the year it is a wise precaution to have your doctor look you over very carefully to see whether or not you have diseased tonsils, sinuses, adenoids, teeth, or other physical impairments which may lower resistance.

You will be much safer during the coming winter months if you keep your vitality high.

Send for the Metropolitan's booklet, "Colds, Influenza, Pneumonia," which contains valuable information about the prevention and care of these diseases. Address Booklet Department 12-F-36

Keep Healthy—Be Examined Regularly

METROPOLITAN LIFE INSURANCE COMPANY
CANADIAN HEAD OFFICE—OTTAWA
FREDERICK H. ECKER, Chairman of the Board
LEROY A. LINCOLN, President
SERVING CANADA SINCE 1872



A MUTUAL COMPANY
NORTH AMERICAN LIFE
Solid as the Continent
HEAD OFFICE — Toronto, Canada
ALL PROFITS FOR POLICYHOLDERS

The Independent Order of Foresters
Monthly Income During Disability

Certificate Plan B: Issued by the Society affords outstanding protection. It provides an Old Age Benefit, payable in one sum, for the full amount of the Certificate, on the 60th birthday, or, payment in the event of death.

In addition, the Certificate provides a generous Disability Benefit of Ten Dollars a month, for each $1,000 of Protection carried. Payments of such benefit are not a charge against the Certificate when it becomes a claim, either as a result of death or old age.

The Certificate contains the usual automatic non-forfeiture privileges. Double Indemnity may be secured for the payment of a nominal sum.

FRANK E. HAND, Supreme Chief Ranger.
HEAD OFFICE, TEMPLE BUILDING, TORONTO, CAN.

PROTECTION

WHEN insuring against fire, enjoy the protection of a purely Canadian company, with assets exceeding $2,000,000.00 and an unsurpassed record for over 64 years of prompt, fair settlements of losses. Consult your agent.

ECONOMICAL MUTUAL FIRE INSURANCE COMPANY

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDED DECEMBER 7

Range 1936 High	Low	Div R'te $	Dec. 5 Y'ld %		Sales	Last Nov. 30	Week end. Dec. 7 H	L	Cl'se
				A					
4⅞	1⅞	.	...	Abitibi	28903	4⅜	4⅜	3¾	4
37	6½	.	...	Do. pref. 6%	4288	33¼	33¼	29	30
77½	49½	.	...	Do. pref. 7%	77	76½	60⅞	60	60
36½	6⅞	.	...	Do. cert. dep.	....	(— bid 34⅞ asked)			
6	4½	10c	...	Acadia Sugar	....	(5 bid 5½ asked)			
21	14½	50c	2.6	Acme Glove	....	(18 bid 19⅞ asked)			
100	94	6.50	6.9	Do. pref.	....	(— bid 97 asked)			
10	7½	40+20c	.	Agnew Surp.	35	8½	8½	8½	8½
110	100	7	6.5	Do. pref.	....	107 bid 110 asked			
6	2	.	...	Alta. Pac. Gr.	610	3	2½	2½	2½
30	19	.	...	Do. pref.	70	24	26	24	24
86½	54½	.	...	Aluminum	....	(84½ Sept. 24)			
6	2	.	...	Amal. Electric	....	(8 bid — asked)			
30	14	.	...	Do. pref.	35	29	29	29	29
405	291	60+40c	...	Amer. Cyn. B.	....	(— bid 40 asked)			
60	51⅞	3.50	6.4	Ang. C. Tel. p.	5	54	54½	54½	54½
97	17½	.	...	Asbestos v. t.	3618	86	87	81	81
15	9½	60+25c	.	Assoc. Brew.	285	12	12½	12	12
110	103	7	6.4	Do. pref.	15	110	109⅞	109⅞	109⅞
8½	7½	.	...	Assoc. T. & T. A	....	(8 bid 9 asked)			
87½	34	66c	...	Do. pref.	....	(— bid 59 asked)			
				B					
60	51½	2.25	3.8	Bank of Canada	114	58	59	58	58½
143	123	8	5.8	Bk. Can. Nat.	46	141	142	140½	141
217	182½	8	3.7	Bk. Montreal	359	212	215½	212	214½
315	271	12	3.8	Bk. N. Scotia	140	309½	315	309	309
252	230	10	4	Bk. Toronto	28	251	251	250	250
13½	5	75c	...	Barcelona	....	(4½ bid 7 asked)			
18½	10½	.	...	Bathurst Pr.	8330	18½	18	16	16½
8	3	.	...	Do. (B)	765	7	7	6½	7
4½	1	.	...	Bawlf Grain	410	2⅞	2½	2⅞	2½
30	20	.	...	Do. pref.	10	23½	23½	23½	23½
6	2½	.	...	Beath & Sons	....	(4 bid — asked)			
16	9½	.	...	Beatty Bros. A	525	15½	15½	13⅞	15½
107	96	6	5.9	Do. pref.	10	104	102	102	102
6⅞	1⅞	.	...	Beauharnois	1982	5⅜	5⅞	4⅞	4⅞
110	97½	4	4.1	Belding Cort.	....	(107 bid — asked)			
145	126½	7	5.4	Do. pref.	37	130	130	127	130
159	140	6	3.8	Bell Telephone	2394	157½	158⅞	157	158
55	30	2.25	...	Biltmore Hats	16	55	55	55	55
110	109	7	6.4	Do. pref.	5	110	109	109	109
5	3	.	...	Bissell, T. E.	....	(4 bid 5 asked)			
50	33	.	...	Do. pref.	....	(35 bid 45 asked)			
5	2½	.	...	Blue Ribbon	50	3⅞	3⅞	3⅞	3⅞
34	27	2	6.1	Do. pref.	40	33	33	32⅞	33
28	25½	32½c	..	Brant. Cord. pf.	45	26	26½	26½	26½
18⅞	9⅞	30c	...	Brazilian Tr.	30595	17⅞	18	16⅞	17
1.45	.70	1♦	...	Brew. & Distil.	6040	.90	.90	.70	.70
4½	1⅞	.	...	Brewing Corp.	5966	2½	2⅞	2⅞	2½
18½	10⅞	1.50	10.3	Do. pref.	3290	15	15	14	14½
9	5	30c	5	Bright, T. G.	....	(2½ bid — asked)			
82	75½	6	7.9	Do. pref.	....	(75½ bid — asked)			
27⅞	16½	80c	3.6	Brit. Amer. Oil	28764	20½	22½	20	22
13½	6	.	...	B. C. Packers	299	12	12½	12	12
38½	28½	1.60	4.4	B. C. Power A	311	35⅞	36⅞	35⅞	35⅞
9	3½	.	...	Do. (B)	95	8	8	7½	7½
16	7	10c	...	Bruck S. Mills	1146	8½	8½	7	7½
58	33	1.40+50c.		Building Prod.	840	55½	56⅞	55½	55½
9⅞	6⅞	.	...	Burry Biscuit	40	8½	8	7⅞	7⅞
75	51	3	4.2	Do. pref.	....	(— bid 75 asked)			
47⅞	37½	2	4.3	Burt, F. N.	500	45½	46	44⅞	46
				C					
120	120	.	...	Calgary Power	....	(120 Sept. 28)			
86½	74½	6	...	Do. pref.	....	(75 bid — asked)			
8	4½	.	...	Canada Bread	635	7½	7⅞	7	7⅞
104½	90	5	4.8	Do. pref.	46	103	104	103	103
48½	30	62½c	...	Do. pref. B	15	48	48½	48	48½
10½	6½	40c	...	Canada Bud	645	10	10½	9	9½
14⅞	6	.	...	Canada Cement	9767	14	14	12½	12½
103	58	.	...	Do. pref.	602	101½	101	99	99½
69⅞	57	1.50+1	3.7	C. & D. Sugar	10	68	68½	68½	68½
b20½	10⅞	.	...	Canada Dry	30400	19⅞	20⅞	19½	19½
20½	3	.	...	Can. Forg. (A)	195	18½	19	17½	17½
14½	2	.	...	Do. (B)	....	(13 bid 14 asked)			
50	30	.	...	Canada Iron	9	30	30	30	30
60	51	3	5.3	Do. pref.	....	(55½ bid — asked)			
37½	30½	1.50+50c.		Can. Malting	565	36⅞	36⅞	36	36½
29	22½	1.20	4.6	Can. Nor. Pr.	490	25½	26	25	25½
112½	107⅞	7	6.4	Do. pref.	53	110½	111	109½	109½
93	80	3	3.3	Can. Packers	80	90	91	90	90
118	105	.	...	Can. Paper, pf.	....	(112 bid — asked)			
2½	1⅞	.	...	Can. Paving, pf.	15	2½	2½	2½	2½
160	120	8	5.7	Can. Perman.	141	140	140	139	140
14	14	.	...	Can. Starch	....	(24 bid — asked)			
95	95	7	...	Do. pref.	....	(97⅞ bid — asked)			
3.25	1.00	.	...	Can. Steamsh's	719	2.00	2.25	1.75	2.00
15½	6	.	...	Do. pref.	703	6½	7	6	6
27½	19½	1.20	6	Can. Vinegars	235	20	20	19⅞	19⅞
55	20½	.	...	Can. W. Cable	50	49	50½	50½	50½
22	9	.	...	Do. (B)	10	20	20	20	20
116	96½	2.75▲	...	Do. pref.	....	(115½ Nov. 13)			
4	2	.	...	Can. Bakeries	....	(4½ bid — asked)			
62	40	.	...	Do. pref.	45	59⅞	62	60	60
173½	146	8	4.7	Can. Bk. Com.	191	168	170	167	169
51	31	1	2	Can. Bronze	340	48½	51	49	51
116	101½	5	4.6	Do. pref.	....	107 bid 108½ asked			
9⅞	4	.	...	Can. Canners	495	8½	9	8½	8½
105	88½	6	5.7	Do. 1st pfd.	123	104½	104½	104	104
12½	5	.	...	Do. 2nd pfd.	1490	11½	12	11	11
19½	5½	.	...	Can. Car & F'y	19147	18⅞	19½	16½	17
29½	13	.	...	Do. pref.	5222	28	29	27	27
31½	25½	40c	...	Can. Celanese	1067	25½	26⅞	25⅞	26½
130½	112	7	5.5	Do. pref.	105	126½	126	126	126
22	18	.	...	Do. Rights	36	22	22	22	22
30	21½	2	6.7	Can. Convert.	196	28	30	28	28
57	48	4	7	Can. Cottons	....	(56½ bid 58 asked)			
106½	97	6	5.8	Do. pref.	15	106½	103	103	103
50	37	2+1	6.2	Can. Dredge	170	49	49	47⅞	47⅞
101	96⅞	6	6	Can. Fairb. pf.	....	(100 bid — asked)			
34	23½	1.60	6	Can. For. Inv.	165	28	26½	26½	26½
107½	105	8	7.5	Do. pref.	8	107	107	107	107
205	150	5	2.5	Can. Gen. Elec.	39	200	205	200	200
10	7½	50c	...	Can. G. Inv.	....	(8½ bid — asked)			
73	26	.	...	Can. Hyd. E. p.	4574	66	73	65½	73
12½	6½	.	...	Can. Ind. Alc.	4710	7½	7⅞	7½	7½
11½	5	.	...	Do. (B)	1605	7	7	6½	6⅞
225	221	4.25	...	Can. Indust. B.	....	(222½ Sept. 21)			
4½	1	.	...	Can. Int. I. Tr.	30	4	4½	4½	4½
85	35	2.50	3	Do. pref.	46	82	85	84	84
23	19⅞	1	4.8	Can. Lt. & Pr.	5	21	21	21	21
12	1	.	...	Can. Locomo.	1450	7	12	7	12
b3½	1½	.	...	Can. Marconi	6300	2	1⅞	1⅞	1⅞
18	11½	50c	4.3	Canadian Oil	29	12	12	11½	11½
142	120	8	6.5	Do. pref.	64	126	124	120	123
16⅞	10⅞	.	...	Can. Pacific	7605	13½	13⅞	12⅞	13
3	1	.	...	C. Pr. & Pa. In.	10	3	2½	2½	2½
12⅞	4½	.	...	Do. pref.	125	11	12⅞	12½	12½
16½	1½	.	...	Can. Vickers	8961	13½	16½	13½	13½
68	12	.	...	Do. pref.	332	60	68	60	60
30½	24	1.25	...	C. Wallpaper A	40	29	30	30	30
32	24½	1.25	...	Do. (B)	5380	31	32	30	30
80½	64	2	3.1	Can. West.'ho'se	10	80½	65	64	65
3⅞	1	.	...	Can. Wineries	310	3	3	2⅞	2⅞
26½	21	1.50	...	Can. Wire Box	10	26½	25½	25½	25½
9	4⅞	.	...	Capital Estates	930	8⅞	9	8⅞	9
103⅞	100	5	4.8	Carnation, pfd.	5	103½	103½	103½	103½
11½	2½	25c	...	Catelli Food	118	9½	8	8	8
15	10	75c	...	Do. pref.	15	12½	10	10	10
165	160	8	5.3	Cent. Can. L'n.	....	(150 bid 159 asked)			
1.50	.75	.	...	Chem. Research	10444	1.30	1.30	1.10	1.25
3½	1	.	...	City Gas & El.	100	2	2	1⅞	2
.75	.15	.	...	Claude Neon	1150	.45	.45	.40	.45
15	12½	96c	7.2	Coast Brew.	248	13½	13½	13½	13½
10½	5½	.	...	Cockshutt Plow	3350	9⅞	10½	9⅞	9⅞
4.50	.60	.	...	Comm. Alcohol	13505	3.62	4.50	3.50	3.50
23	15½	80c	3.9	Cons. Bakeries	505	21	21	20½	20½
9½	2	.	...	Cons. Paper	7856	8⅞	8½	7⅞	7⅞
13	5	.	...	Cons. Press	70	12⅞	12⅞	12	12
45	32	.	...	Cons. Sand, pf.	10	42	43	43	43
80	51	50c+1	..	Cons. Smelters	6053	76½	77	73	73½
209	189	10	4.8	Consumers' Gas	146	207⅞	206	205⅞	205⅞
91	78	7	7.7	Corr. P. Box, p.	20	89	91	88	89
27½	17½	80c	3.2	Cosmos Imp.	193	25	25	24	24½
106½	102	5	4.7	Do. pref.	....	(106½ bid — asked)			
21½	15	80+20c	.	Crown Cork	45	19½	18½	18½	18½
2½	1½	.	...	Crown Dom. Oil	....	(1½ bid 2 asked)			
56	30	7	...	Crow's N. Coal	10	50½	50	50	50
				D					
4	2	.	...	David & Fre. A	30	2½	2½	2½	2½
1.25	.50	.	...	Do. (B)	....	(.90 bid 1.00 asked)			
21	2	.	...	De Havilland	720	17½	18	17	17½
72	40	.	...	Do. (A)	....	(— bid — asked)			
5⅞	3	.	...	Disher Steel	....	(3½ bid — asked)			
16	7½	.	...	Do. pref.	....	(12 bid 16 asked)			
34½	18½	.	...	Distill-Seagram	7595	26	27	25½	25½
225	190	10	4.5	Dom. Bank	71	225	223½	222½	223½
58½	32	1.20	2.1	Dom. Bridge	3181	57½	58	53	53½
22½	14	1.50	6.9	Dom. Coal, pf.	2750	22	22	21	21½
60	26½	.	...	Dom. Engineer.	372	56	58	55	58
80	32	.	...	Dom. Foundries	40	80	80	80	80
116	106	5	4.3	Dom. Glass	40	116	115	112	112
155	135	7	4.6	Do. pref.	205	152	152	152	152
40	33	.	...	Dom. Oilcloth	....	(41 bid — asked)			
102½	95	7	6.8	Dom. Rubber, p	10	95	102½	102½	102½
10⅞	2⅞	.	...	Dom. St. & C.B.	12420	10½	10½	9½	9½
12	8	.	...	Dom. Stores	405	11	11	10½	10½
16⅞	4½	.	...	Dom. Tar & Ch	5746	15	16⅞	15	16
109	57	.	...	Do. pref.	377	107½	109	107	108
79	60	5	7	Dom. Textile	406	72	73	70	71
150	143	7	4.6	Do. pref.	20	150	150	150	150
14½	4½	.	...	Donnacona P.A.	15814	14½	14	12½	13½
13½	2½	.	...	Do. (B)	1925	13	13½	12	12½
14½	4½	.	...	Dryden Paper	1630	14	14	12½	13
				E					
2½	1	.	...	East. Koot. Pr.	....	(— bid 3 asked)			
18	5	.	...	Do. pref.	50	12	13	13	13
4½	1½	.	...	East. Dairies	320	3	3½	2½	2½
21	8½	.	...	Do. pref.	90	16⅞	18	17	17
20	10	1	...	East. Steel	160	20	20	20	20
108	80	7	6.5	Do. pref.	5	106	108	108	108
85	72½	7	8.7	East. Theat. pf.	....	(— bid 85 asked)			
5½	1½	.	...	Easy Washing	10	4½	4½	4½	4½
30	20	1	...	Economic Inv.	90	30	30	29½	29½
23½	19⅞	1.60+30c		Electrolux	260	22⅞	23	22½	23
6	1	.	...	Enam. & Heat.	....	(3 bid 5 asked)			
7	5½	.	...	Equitable Life	60	6½	6	5½	5½
40	10½	.	...	Eng. Electric	361	30	39	37	38
19½	4	.	...	Do. (B)	18	18	17	15	17
7	7	60c	...	European El. A	....	(2 bid 12 asked)			
.35	.15	.	...	Do. Warrants	200	.35	.15	.15	.15
				F					
9½	8	.	...	Fairchild Air.	2410	..	9½	8	8½
25	18	60c	...	Fam. Players	40	22½	24	23	24
20	14	60c	...	Do. Vot. Tr.	....	(18½ bid — asked)			
24⅞	13½	50+37½c.		Fanny Farmer	13615	23½	24½	23	23½
28½	18½	1	4.4	Ford Motors A	6922	22½	23	22	22
3.00	.40	.	...	For. Pr. Secs.	351	2.00	2.00	1.75	1.75
27	13	.	...	Foundation Co.	2210	26½	27	24	24
33	9	.	...	Fraser Cos.	763	30	30½	28	28½
32½	8	.	...	Do. Vot. Tr.	12294	30½	31	28½	29
90	37	.	...	Freiman, pf.	5	37	37	37	37
8	3⅞	.	...	Frost Steel	....	(6½ bid 8 asked)			
100	88	5.25	...	Do. pref.	....	(95 bid — asked)			
				G					
9½	3	.	...	Gen. St. Wares	1350	8½	8½	7	7
90	45	.	...	Do. pref.	350	77	77	76	76
90	64½	2.50	2.9	Goodyear Tire	460	84½	87	84	84
59	53½	2.50	4.4	Do. pref.	132	57	57½	56½	57½
3	1	.	...	Gt. W. Saddlery	....	(1½ bid 2 asked)			
30	20	.	...	Do. pref.	....	(29½ bid 33 asked)			
9½	5	20c	...	Gurd, Chas.	230	8	7⅞	7½	7½
100	90	7	7.4	Do. pref.	....	(95 bid — asked)			
15	5½	.	...	Gypsum, Lime.	32875	13⅞	15	13	14
				H					
13	4	.	...	Ham. Bridge	1400	12	12½	10⅞	11
65	25½	.	...	Do. pref.	175	64	64	61	61
32	25½	2	6.2	Ham. Cot., pf.	100	30	32	31½	32
3	2	.	...	Ham. U. Theat.	25	2½	2½	2½	2½
70	50	5	7.2	Do. pref.	....	(65 bid 70 asked)			
6	2⅞	5c	...	Harding Carpet	745	5⅞	5⅞	5½	5½
9	1½	.	...	Hillcrest Coll.	....	(5 bid 20 asked)			
20	15	.	...	Do. pref.	10	15	18	18	18
22½	12	1	4.7	Hinde & Dauch	620	21½	21½	20⅞	21
7	4	.	...	Holt Renfrew	....	(12 bid — asked)			
45	30	.	...	Do. pref.	....	(42 bid — asked)			
1.25	.45	.	...	Honey Dew	650	.95	1.00	.80	.80
15	7	.	...	Do. pref.	35	14	12⅞	10	10
20	9½	.	...	H. Smith Pap.	4961	19½	20	18½	18½
119	88	3	...	Do. pref.	118	102	102	100	101⅞
35	29	2	5.9	Humberstone S.	100	34	33½	33	33
19	4½	.	...	Hunts (A)	55	12	11	11	11
20	6	.	...	Do. (B)	5	12	12	12	12
90	70	5	6.9	Huron & E. Mt.	18	72	72	72	72
12⅞	8½	.	...	Do. 20% pd.	25	11⅞	11⅞	11⅞	11⅞
10½	6½	.	...	Hydro Electric	....	(7½ bid 8½ asked)			
				I					
225	197½	10	4.4	Imperial Bank	48	225	225	222	224
24½	20½	50+75c	6	Imperial Oil	45409	20½	21½	19⅞	20⅞
14½	13½	52½c	3.7	Imperial Tob.	4400	13⅞	14½	13⅞	14
7⅞	7	6%	...	Do. pref.	120	7⅞	7½	7½	7½
33½	28	.	...	Indust. Accept.	816	33	33½	32⅞	32½
40	19	2	...	Inter-City Bak.	....	(— bid 40 asked)			
48	40	4.50	...	Inter'c Coal	....	(— bid 45 asked)			
130	115	8	6.2	Do. pref.	....	(120 bid — asked)			
.20	.20	1c	...	Int. Coal & C.	....	(.10 bid — asked)			
b10½	2⅞	.	...	Int. Hyd. E. A.	155200	4⅞	10½	4⅞	9⅞
16½	4	.	...	Int. Metal Ind.	390	13⅞	14½	13⅞	13⅞
90½	30	.	...	Do. pref.	55	85⅞	85⅞	85	85
105⅞	101	5	4.8	Int. Mill., pf.	45	104½	104	104	104
66½	43½	1.60	...	Inter. Nickel	36710	62⅞	62⅞	59⅞	60⅞
9⅞	2½	.	...	Inter. Paints	695	7	7½	7	7½
29½	14⅞	75+25c	.	Do. pref.	155	20⅞	20	20	20
b22⅞	3⅞	.	...	Int. Pa. & P.A.	45500	20⅞	22⅞	20½	20⅞
b13⅞	2½	.	...	Do. (B)	49600	10⅞	13⅞	10⅞	13⅞
b6½	1⅞	.	...	Do. (C)	117100	4½	6½	4½	6
b97½	20½	.	...	Do. pref.	39335	93⅞	95⅞	88	90½
39⅞	33	1.50+1	7.2	Inter. Pete.	18984	34½	35	32½	34½
6⅞	4	.	...	Inter. Power	75	6	5½	5½	5½
95	57	6	6.6	Do. pref.	253	92	92	91	91
15½	13	.	...	Int. St. Rly. A.	....	(13½ bid — asked)			
14½	3⅞	.	...	Int. Util. (A)	1580	10	12½	9½	12
2.25	.40	.	...	Do. (B)	5647	1.25	1.50	.90	1.25
				J					
37⅞	33	1.75	4.8	Jam. Pub. Ser.	5	36½	36½	36½	36½
130	123½	7	5.4	Do. pref.	....	(128 bid — asked)			
				K					
24	6⅞	1.25	...	Kelvinator	185	23	23½	22½	23
107	102½	7	6.5	Do. pref.	....	106½ bid 108 asked			
				L					
38	16½	.	...	Lake of Woods	5495	34½	37½	34½	35
170	123	7+14▲	4.6	Do. pref.	....	(145 bid 160 asked)			
58	54	5	8.9	Landed Bank	12	56	56	56	56
17	13⅞	35c	...	Lang, J. A.	165	15½	16	15½	15½
6	3	.	...	Langley's	....	(3 bid 6 asked)			
60	35	.	...	Do. pref.	....	(56 bid 60 asked)			
78	64⅞	3	4.1	Laura Secord	120	72	73	70	72
8	2	.	...	Lindsay, C. W.	110	8	8	8	8
70	40	.	...	Do. pref.	....	(60 bid 70 asked)			
23	18⅞	1	4.4	Loblaw (A)	1235	22½	22⅞	22½	22⅞
22	17½	1	4.6	Do. (B)	411	21	21½	21	21½
				M					
5	2⅞	.	...	MacKin. Steel	....	(8 bid 10 asked)			
63	50	.	...	Do. pref.	....	(63 bid — asked)			
28⅞	16½	.	...	Maclaren Pr. p.	1520	28	28½	26	26
1.50	.50	.	...	M. L. Gardens	....	(.75 bid — asked)			
4	2½	.	...	Do. pref.	110	2⅞	3	3	3
6⅞	1	.	...	Maple Leaf	5119	6½	6⅞	6	6½
12⅞	2	.	...	Do. pref.	700	11	11½	10½	10½
*12½	12	60c	...	Maritime Tel.	....	(15 bid — asked)			
15	15	70c	4.7	Do. pref.	....	(16 bid — asked)			
18	18	.	...	Marcus Loew's	....	(— bid 20 asked)			
116	111	7	6	Do. pref.	....	(115½ bid — asked)			
8	3⅞	.	...	Massey-Harris	12795	6½	7⅞	6⅞	6½
46½	28	.	...	Do. pref.	5907	39½	46½	40	42
17⅞	12½	80c	6	McColl Fron.	10816	12⅞	13⅞	12½	13
105	96½	6	6.1	Do. pref.	460	98	100	97	97
14	9	50c▲	..	Melchers (A)	4330	13⅞	13⅞	12½	13
5⅞	2⅞	.	...	Do. (B)	415	4½	4⅞	4⅞	4⅞
20	9	.	...	Mercury Mills p	10	19½	19	19	19
48	30	1	2.2	Mitchell, J. S.	....	(45 bid 50 asked)			
110	110	7	6.4	Do. pref.	....	(110 bid — asked)			
16	5½	.	...	Mitchell, Robt.	980	14	14	13½	14
5	3	.	...	Monarch Knit	....	(5 bid — asked)			
90	85	7	8.2	Do. pref.	10	85	85	85	85
38	26	.	...	Montreal Cot.	5	38	36	36	36
105	85	7	6.7	Do. pref.	41	102	105	102	105
2½	1½	.	...	Mont. Is. Pr.	....	(2 bid 5 asked)			
36½	30	1.50	4.5	Mont. L. & Pr.	9571	34	34½	32½	33
28⅞	25	2	8	Montreal Loan	....	(27 bid 30 asked)			
13½	9	.	...	Mtl. Ref. & S.p.	25	11½	13½	13½	13½
2	1½	.	...	Do. Vot. Tr.	45	2	2	1½	1½
60	55½	3.20	5.5	Montreal Tele.	43	58	58	58	58
103	85	9	9.9	Montreal Trams	256	90⅞	91	90	91
46	27½	1.60	...	Moore Corp.	980	45½	46	43	43
182	146	7	3.9	Do. pref. (A)	140	182	182	180	180
270	175	7	2.6	Do. pref. (B)	....	(— bid 270 asked)			
1.25	.25	.	...	Muirheads	203	.90	.90	.75	.75
4½	3	.	...	Do. pref.	....	(4½ bid — asked)			
				N					
45	37	2	4.8	Nat. Breweries	3366	41½	42	41	42
45½	39⅞	1.75	4	Do. pref.	123	44½	43½	42	42
10	5	.	...	Nat. Grocers	1869	9½	9½	8⅞	8⅞
140	130	7	5.1	Do. pref.	5	140	138	138	138
22	16⅞	.	...	N. Sew. Pipe A	90	21	21	19½	19½
51⅞	13	.	...	Nat. Steel Car	20866	47	51⅞	46½	47½
214	196	8	4	National Tr.	7	201	201	201	201
42	29	40c	...	Niag. W. Weav.	995	40½	42	40	41
1.75	.90	.	...	North Star Oil	335	1.75	1.50	1.50	1.50
4.50	3.15	8⅞c▲	..	Do. pref.	1306	4.25	4.25	4.00	4.00
84½	61	5	5.9	N. S. L. & Pr.	....	(93 bid — asked)			
104	100⅞	6	5.3	Do. pref.	....	(103 bid — asked)			
				O					
254	199⅞	8	3.2	Ogilvie Flour	130	250	250	248	248
170	152	7	4.2	Do. pref.	20	170	168	165	168
119	100	5	4.6	Ontario Loan	5	105	108	107	107
14½	5½	.	...	Ont. Silknit	25	7	5½	5½	5½
90	75	7	8.7	Do. pref.	....	(— bid 80 asked)			
20	8	.	...	Ont. Steel	25	16	15	15	15
120	75	3.50	2.9	Do. pref.	....	(— bid 120 asked)			
1	1	.	...	Orange Crush	15	1	1	1	1
5	5	.	...	Do. pref.	....	(— bid 5 asked)			
101½	88	6	6.1	Ott. L. H. & Pr	56	100	99	99	99
103½	101½	6.50	6.3	Do. pref.	66	103	103½	103	103
22	15	2	9.5	Ott. Traction	50	20	22	22	22
				P					
110½	78½	3	2.9	Page Hersey	359	102	102	101	102
8⅞	3½	.	...	Pantepec Oil	15525	8	8⅞	7	7⅞
25	18	.	...	Paton Mfg.	....	(10 bid — asked)			
110	100	7	6.4	Do. pref.	....	(111 bid — asked)			
63	48	3	4.8	Penmans	25	60	63	63	63
130	118	6	4.6	Do. pref.	....	(— bid — asked)			
27	21½	1	4.4	Photo Eng.	20	23½	22⅞	22⅞	22⅞
100	82	7	7.2	Porto Rico Pr p	....	(98½ bid 100 asked)			
22½	11⅞	.	...	Power Corp.	5501	21	21½	19⅞	20
106½	97½	6	5.7	Do. pref.	109	105	105½	104½	104½
4	1½	.	...	Prairie C. Oil	390	2	.4	2½	4
38½	19	1.75+62½c		Pressed Metals	383	38	38½	36	36½
22½	2⅞	.	...	Price Bros.	6815	20	21	19	20
99	22	.	...	Do. pref.	1914	94	95	87	91
				Q					
24	14	1	5.3	Quebec Power	1016	21	19½	18½	18½
7	3⅞	.	...	Que. Telephone	40	3⅞	4	4	4
				R					
40	40	2	5	Real Estate L'n	....	(— bid 45 asked)			
9½	4½	.	...	Regent Knit.	2725	8⅞	9½	8⅞	9½
19	12½	.	...	Do. pref.	407	18½	19	18½	19
10	4½	.	...	Reliance Grain	20	7	7½	7½	7½
24⅞	19½	60c▲	...	Remington R'd	....	(— bid 24 asked)			
36	28⅞	2+1.75	.	River. S. Mills	250	32	36	33	35
9½	4	.	...	Rogers Majest.	1595	9½	9	8	8
105	95½	6	5.8	Rolland P., pf.	21	104	104	103	103
17	14½	50c	...	Root Petroleum	200	14⅞	14⅞	14⅞	14⅞
201	164	8	4	Royal Bank	295	197	200	198½	199
46	30	.	...	Russell Motor	....	(48 bid — asked)			
116	100	7+1▲	6.3	Do. pref.	5	112	111	111	111
				S					
101½	99⅞	5.50	5.4	Saguenay Pr. p	160	100⅞	101½	100½	101½
15	6	.	...	Sarnia Br. (A)	50	14	14	12	13
9½	1½	.	...	Do. (B)	110	8	8½	8	8
29½	18½	60c	2.4	Shawinigan Pr.	4909	25⅞	26	25	25½
25½	16	.	...	Sher. Wms.	545	20	24½	22⅞	23
130	115	7	5.4	Do. pref.	4	130	130	130	130
15½	9	.	...	Simon & Son	900	13	15½	12	12
101	85	7▲	...	Do. pref.	....	(90 bid 100 asked)			
101	70	4	4	Simpson, pfd.	330	99	99	98	98
25	10	.	...	Do. (A)	95	16	18	16	18
15	4	.	...	Do. (B)	165	10	10	10	10
125	111½	6	5.1	Simpson, R., pf.	10	122	117½	117½	117½
15	11	80c	6.2	So. Can. Pr.	1385	13½	13½	13	13
106	98	6	5.7	Do. pref.	145	106	106	105	106
6⅞	1½	.	...	St. Law. Corp.	9334	6⅞	6⅞	6½	6½
24⅞	8	.	...	Do. (A)	11980	23⅞	24½	22½	23½
68	40	2+1	4.4	St. Law. Flour	5	68	68	68	68
135	120	7	5.2	Do. pref.	....	(— bid 140 asked)			
64	20½	.	...	St. Law. Pap. p	6159	57	64	54	61½
15	6⅞	.	...	Stand. Chem.	25	15	15	15	15
8	2	.	...	Stand. Clay	....	(5½ bid 8 asked)			
4.50	1.15	.	...	St. Pav. & Mat.	2025	4.50	4.50	4.00	4.00
27	12	.	...	Do. pref.	75	27	27	27	27
45	20	75+75c▲.		Stand. Steel, pf.	45	45	45	45	45
73⅞	57	1.75‡	2.4	Steel of Can.	1162	73	73½	72	73
64⅞	49½	1.75	2.7	Do. pref.	551	64½	64⅞	64	64⅞
4	2	.	...	Sterling Coal	....	(2 bid 3½ asked)			
2½	1	.	...	Stop & Shop	....	(1 bid 1½ asked)			
2⅞	2	.	...	Supersilk H.	....	(3½ bid — asked)			
79	66	3.50	4.4	Do. pref.	....	(79 bid — asked)			
41	30	1	2.9	Sup. Pete. ord.	30	34½	34½	34½	34½
45	32	1	2.3	Do. com.	5	45	43	43	43
				T					
16½	16	20c	...	Tamblyn	1185	16½	16½	16	16
58	53½	62½c	...	Do. pref.	75	53½	53½	53½	53½
5	1	.	...	Thayers	....	(2 bid 2 asked)			
37	18	2.50	...	Do. pref.	95	24	30	24	24
3	1	.	...	Thrift Stores	....	(1½ bid 1⅞ asked)			
14	5	.	...	Do. pref.	25	10½	6	6	6
12	7½	25c	...	Tip Top Tailors	320	10½	10½	10½	10½
107	102	7	6.6	Do. pref.	45	107	106	105½	105½
1½	1	.	...	Tooke Bros.	....	(2 bid — asked)			
25	10	.	...	Do. pref.	....	(— bid 25 asked)			
40	34	1	2.6	Tor. Elevators	60	38	38	37⅞	37⅞
119	109	7	6.3	Do. pref.	133	111	111⅞	111	111
95	75	4	4.8	Tor. Gen. Tr.	....	(81 bid 93 asked)			
122½	115	6	4.9	Toronto Mtge.	....	(125 bid — asked)			
160	150	7	4.4	Tuckett Tob. p.	10	160	160	160	160
16	8	.	...	Twin City	25	14½	16	14	16
				U					
14⅞	9	35c	...	Union Gas	4680	13⅞	13⅞	12⅞	13
25	15	60+10c	.	Un. Amuse. A.	....	(20 bid — asked)			
15	15	60+10c	.	Do. (B)	....	(15 Mar. 27)			
1.15	.50	.	...	United Distill.	120	1.10	1.15	1.10	1.15
52½	20	.	...	United Fuel, pf.	1738	44½	52½	44½	52
28½	20	2	8.7	United Secs.	4	24½	23	23	23
9½	2½	.	...	United Steel	8218	8½	8½	7⅞	7⅞
				V					
10	6	.	...	Viau Bisc., new	127	6½	6⅞	6	6
50	50	.	...	Do. pref.	....	(45 bid 50 asked)			
				W					
31½	20	.	...	Wabasso Cot.	116	24	24	24	24
49½	26½	2	4.3	Walker-Good.	3730	47½	47½	45½	46
20½	17	1	5.2	Do. pref.	1182	19½	19½	19½	19½
3⅞	1⅞	.	...	Walkerville Br.	740	2½	2⅞	2½	2½
3.00	.30	.	...	Waterloo Mfg.	600	2.50	2.62	2.00	2.00
11½	4½	.	...	West. C. Flour	300	9⅞	10½	9⅞	10
79	36	.	...	Do. pref.	70	76	79	78	79
65	46½	2.40	4	West. Grocers	9	65	62	62	62
116	106	7	6	Do. pref.	....	(115 bid — asked)			
21	13½	80+10c	.	Weston Ltd.	4570	19½	20	18½	19
109½	93	5	4.6	Do. pref.	95	108	108	107½	108
2½	1	.	...	Windsor Hotel	....	(2 bid 3 asked)			
12	4	.	...	Do. pref.	....	(9 bid 11 asked)			
4½	1½	.	...	Winnipeg El. A	4143	3½	4½	3½	4½
4½	2½	.	...	Do. (B)	2715	3½	4½	3½	4½
21⅞	17½	.	...	Do. pref.	38	20½	21⅞	20	21⅞
53	38	.	...	Wood, A. & J. p	10	51	53	53	53
90	50	.	...	Woods Mfg., pf.	212	85	85	85	85
				Z					
6	2½	.	...	Zimmerknit, c.	....	(5½ bid — asked)			
90	60	3.50▲	..	Do. pref.	35	90	89	89	89

* Quotations for 1935. No sales recorded in 1936 to date.
▲ On account of arrears. b New York quotations.
‡ Plus extra of $1.42½ paid Feb. 1, 1936.
♦ Plus stock bonus 1% paid Oct. 1.
§ Capital distribution.

Government Bonds

December 9, 1936

Dominion of Canada Bonds				Bid Dec. 9	Asked Dec. 9	Approx. Yield	Bid Dec. 2
†‡Dominion	5	1 Mar.	1937	100.70	101.20	.20	100.75
‡Dominion	5½	1 Dec.	1937	104.05	104.55	.91	104.05
Dominion	2½	15 Oct.	1939	103.00	103.50	1.28	103.00
Dominion	4	15 Oct.	1939	106.85	107.35	1.42	106.85
Dominion	2	15 Nov.	1939	102.00	102.50	1.16	102.00
Dominion	1½	1 June	1940	100.00	100.50	1.35	100.00
Dominion	4½	1 Sept.	1940	109.50	110.00	1.73	109.65
Dominion	1	15 Mar.	1941	97.75	98.25	1.41	97.75
Dominion	5	15 Nov.	1941	113.50	114.00	2.02	113.85
Dominion	3	15 Oct.	1942	105.00	105.50	2.00	105.00
Dominion	2½	1 June	1943	101.85	102.35	2.11	101.85
Dominion	5	15 Oct.	1943	114.50	115.00	2.60	114.85
Dominion	4½	15 Oct.	1944	112.75	113.25	2.63	113.00
■Dominion	2½	15 Aug.	'43-45	101.00	101.50	2.25▲	101.00
Dominion	4	15 Oct.	'43-45	109.35	109.85	2.44▲	109.50
Dominion	4½	1 Feb.	1946	112.75	113.25	2.85	113.00
Dominion	3½	15 Oct.	'44-49	105.25	105.75	2.68▲	105.25
Dominion	4	15 Oct.	'47-52	108.75	109.25	3.00▲	108.85
Dominion	3	1 June	'50-55	100.75	101.25	2.97▲	100.85
Dominion	4½	1 Nov.	'46-56	111.85	112.35	3.06▲	111.85
Dominion	4½	1 Nov.	'47-57	111.85	112.35	3.16▲	111.85
Dominion	4½	1 Nov.	'48-58	112.25	112.75	3.21▲	112.35
Dominion	4½	1 Nov.	'49-59	112.45	112.95	3.27▲	112.50
■Dominion	3½	15 Jan.	'56-61	103.50	104.00	2.99▲	103.50
Dominion	3¼	1 June	'56-66	101.75	102.25	3.09▲	101.85
§Dominion	3	Perp. bonds		96.45	96.95	3.10	96.65
Dominion Guaranteed Bonds							
*G. T. P. Ry.	3	1 Jan.	1962	101.00	102.00	2.89	101.00
Can. N. Ry.	3	1 May	1944	103.50	104.50	2.34	103.75
Can. N. Ry.	3	15 Dec.	'45-50	100.50	101.50	2.81▲	100.50
Can. N. Ry.	3	15 Feb.	'48-53	100.25	101.25	2.87	100.25
¶*Can. N. Ry.	4½	1 Sept.	1951	115.25	116.25	3.13	115.25
*Can. N. Ry.	4½	1 Feb.	1956	115.50	116.50	3.34	115.50
†Can. N. Ry.	4½	1 July	1957	114.25	115.25	3.47	114.25
*Can. N. Ry.	4¾	15 June	1955	117.25	118.25	3.43	117.50
Can. N. Ry.	5	1 Feb.	1954	118.25	119.25	3.51	118.25
*Can. N. Ry.	5	1 July	'44-69	117.75	118.75	2.83▲	118.25
*Can. N. Ry.	5	1 Oct.	'49-69	119.50	120.50	3.35▲	119.50
*M. Harb. C.	5	1 Nov.	'49-69	119.50	120.50	3.35▲	119.50
Eastern—Provincial Government Bonds							
N. Bruns.	4	1 Sept.	1954	103.50	104.50	3.65	104.50
†N. Bruns.	4½	15 Apr.	1961	110.00	111.00	3.80	110.75
†N. Bruns.	5	15 Jan.	1960	114.00	115.00	4.02	115.00
N. Scotia	3	2 Sept.	1945	99.50	100.50	2.93	100.50
N. Scotia	4½	15 May	1943	108.00	109.00	2.96	109.00
†N. Scotia	4½	15 Sept.	'47-52	110.75	111.75	3.22▲	110.75
†N. Scotia	5	1 Mar.	1960	117.00	118.50	3.80	117.00
*Ontario	4	1 June	1962	108.00	109.50	3.44	107.50
*Ontario	4½	1 Sept.	1944	113.00	114.00	2.58	112.50
Ontario	4½	1 June	1950	112.00	113.00	3.30	112.25
*Ontario	4½	15 Jan.	1962	114.00	116.00	3.54	114.00
Ontario	5	15 Oct.	1946	*115.00	116.00	3.36	115.25
*Ontario	5	2 Dec.	1960	121.00	122.50	3.59	121.00
Ontario	5½	1 July	1946	116.25	117.25	3.45	116.50
O. H. C.	3½-4-5	1 Oct.	'36-52	100.00	101.00	.50▲	100.00
Ont. Hyd. C.	4¾	1 Jan.	1970	117.75	118.75	3.77	117.75
P. E. I.	3	1 Oct.	1945	100.50	101.50	2.82	100.50
Quebec	4	15 Mar.	1952	107.50	109.00	3.36	107.50
Quebec	4¼	1 Aug.	1958	110.75	112.00	3.47	110.75
Quebec	4½	2 Jan.	1963	113.00	114.50	3.64	113.00
Western—							
Alberta	4	15 Dec.	'49-54	64.00	66.00	§	62.00
†Alberta	4	1 Dec.	1957	65.00	68.00	§	62.00
Alberta	4½	1 Oct.	1951	74.00	77.00	§	73.00
†Alberta	4½	1 Oct.	1956	68.50	71.00	§	65.50
†Alberta	5	1 Jan.	1948	69.50	72.00	§	66.50
Alberta	5	1 Sept.	1955	69.50	72.00	§	66.00
*Alberta	5	1 Oct.	1959	69.50	72.00	§	67.00
†Alberta	5½	1 Jan.	1947	70.00	73.00	§	67.50
Alberta	6	1 Mar.	1947	71.50	73.50	§	69.50
†Brit. Col.	4	1 Dec.	1957	91.50	93.50	3.48	90.00
*Brit. Col.	4½	15 Jan.	1951	96.00	97.50	4.73	95.50
†Brit. Col.	4½	1 Oct.	1953	95.50	97.00	4.75	94.50
†Brit. Col.	5	15 Jan.	1948	98.25	99.50	5.05	97.00
Brit. Col.	5	1 Sept.	1953	97.50	98.50	5.13	96.50
Brit. Col.	5½	1 Feb.	1945	99.50	100.50	5.42	98.50
Brit. Col.	6	15 Feb.	1947	100.00	101.50	5.80	99.50
Manitoba	4	2 Jan.	1960	88.50	89.50	5.09	87.50
†Manitoba	4	1 Dec.	1957	88.50	89.50	4.80	88.00
†Manitoba	4½	15 Dec.	1956	91.50	93.00	5.08	91.50
†Manitoba	5	15 June	1954	97.00	99.00	5.08	97.00
*Manitoba	5	2 Dec.	1959	98.50	100.00	5.00	98.50
Manitoba	5½	1 Oct.	1955	97.00	98.00	5.67	97.00
Manitoba	6	1 Apr.	1947	99.00	101.00	5.87	98.50
Sask.	4	15 Aug.	1953	78.00	79.50	5.93	77.50
Sask.	4	1 Nov.	'55-60	77.00	78.50	5.89	76.50
*Sask.	4½	2 July	1945	89.00	90.50	5.94	88.50
†Sask.	4½	1 Oct.	1951	86.00	87.50	5.75	85.50
†Sask.	4½	15 Mar.	1960	85.50	87.00	5.49	83.50
Sask.	5	1 Aug.	1958	87.00	89.00	5.90	86.00
†Sask.	5½	15 Nov.	1946	93.00	94.00	6.29	92.50
Sask.	5½	1 Oct.	1952	92.00	93.50	6.14	92.00
Sask.	6	15 Mar.	1952	93.50	94.50	6.57	93.50

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Exempt from Dominion income tax. §Callable on or after Sept. 15, 1966. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%.

Mining Stock Quotations

WEEK ENDED DECEMBER 7

Par Val.	Range 1936 High	Low	Company	Sales	Close Nov. 30 (or last)	High for week	Low for week	Close Dec. 7
1	.13½	.04	Afton	23,000	.08½	.08½	.07	.07
No	1.68	.88	Aldermac	230,725	1.65	1.67	1.47	1.50
1	.10	.01½	Alexandria	44,250	.03¾	.03⅞	.03½	.03¾
No	.12½	.03¾	Algoma	96,650	.07¾	.08	.06½	.06½
No	7.50	4.10	Anglo-Huronian	2,804	6.00	6.20	6.00	6.05
1	1.75	1.00	Argosy	18,245	1.20	1.29	1.15	1.16
1	1.20	.65	Arntfield	17,660	.83½	.94	.75	.80
No	.12	.03	Arno	9,260	.05½	.06	.04	.04½
1	.31	.06½	Ashley	19,200	.10	.10½	.08½	.08¾
1	.10½	.02¾	Astoria Rouyn	167,600	.09	.10	.08	.10
1	.11¾	.05½	Bagamac	130,700	.09½	.11	.09	.10½
1	2.15	1.40	Bankfield	23,362	1.50	1.68	1.42	1.42
1	.10	.03½	Barry Hollinger	49,250	.03¾	.04	.03½	.03½
1	.42	.12	Base Metals	58,075	.29	.34	.28	.33
No	1.84	1.20	Beattie Gold	7,920	1.30	1.30	1.25	1.25
1	.59	.30	Beaufor	26,159	.50	.58	.46	.46
1	2.00	1.25	Bidgood Kirk.	37,062	1.72	1.73	1.45	1.45
1	.76	.46	Big Missouri	16,059	.52	.53	.50	.50½
1	.36½	.13	Bobjo	22,300	.20	.20	.19	.19½
1	.58	.34	Bouscadillac G. M.	11,210	.44	.47	.42	.42½
No	9.00	5.55	Bralorne	2,385	8.25	8.10	8.00	8.00
1	.40	.05	Brasil Gold	500	.08	.09	.09	.09
1	.14½	.02	Brett Trethewey	78,100	.09½	.11	.09	.10
50c.	.25½	.09	B. R. X. Gold	5,800	.09	.10	.09	.10
1	.16	.07	Brownlee	65,600	.10½	.12	.10	.10½
1	12.00	3.80	Buffalo Ankerite	1,965	11.50	11.50	10.50	11.00
No	.13	.02	Buffalo Can.	16,100	.04½	.04½	.04	.04½
5	37.00	27.50	Bulolo Gold	1,480	31.00	31.00	30.25	30.50
No	.18	.06	Bunker Hill	1,380	.12	.12	.11	.11½
No	1.75	.95½	Can. Malartic	64,630	1.57	1.69	1.54	1.55
1	2.10	1.15	Cariboo Gold	1,200	1.75	1.75	1.65	1.65
1	.40	.02	Cartier Malartic	105,200	.35	.35	.30	.32
1	1.69	1.18	Castle Trethewey	11,737	1.34	1.30	1.24	1.25
1	.58	.11½	Cen. Manitoba	73,425	.20	.21	.15½	.16
1	4.90	2.41	Cen. Patricia	16,890	4.35	4.40	4.00	4.10
1	.59	.30	Cen. Porcupine	132,500	.33	.36½	.32	.33
No	2.46	1.10	Chromium	67,655	1.50	1.50	1.10	1.34
No	.09⅞	.03	Church M. & Mill	182,900	.04	.07½	.04	.07½
No	.14	.03	Clericy	49,450	.07	.08	.06	.07
5	8.00	2.25	Coast Copper	830	6.40	5.50	4.25	4.25
1	.04	.01½	Cobalt Contact	10,500	.02½	.02¾	.02½	.02
5	4.25	2.80	Coniagas	1,000	3.25	3.25	3.25	3.25
No	2.75	1.70	Coniaurum	3,570	1.80	1.85	1.75	1.80
1	3.38	1.10	Con. Chibougamau	56,800	3.00	2.98	2.63	2.65
25	80.00	51.00	Cons. Smelters	6,053	76.50	77.00	73.00	73.50
1	2.20	1.10	Darkwater	70,160	1.90	2.20	1.85	2.15
No	61.25	41.75	Dome Mines	6,305	52.50	52.37	50.00	50.75
1	.09½	.04	Dom. Explorers	5,300	.06½	.08	.06	.07
1	.55	.32	Dorval Siscoe	43,200	.41	.41	.32	.36
1	.10½	.04	Duparquet	48,800	.05	.06½	.05	.05½
1	1.25	.52	East Malartic	67,755	1.23	1.24	1.12	1.18
1	2.45	.80	Eldorado	324,935	2.25	2.45	2.08	2.18
No	12.87	6.90	Falconbridge	10,485	11.75	12.00	10.87	11.25
1	.19	.03	Federal	738,916	.14	.19	.13	.14
No	2.24	.10	Francoeur Gold	19,200	1.04	1.07	.95	.95
1	.41	.19	Glenora	173,600	.28	.30	.25	.29½
No	1.45	.65	God's Lake	33,406	.72	.73	.65	.69
1	.49	.14½	Goldale	20,850	.39	.39	.36	.38
50c.	.54	.12	Gold Belt	......	(.... bid .18 asked)			
1	.26½	.06	Goodfish	58,500	.12	.15	.11	.14
1	.24	.03	Graham Bosquet	14,650	.16	.18	.13	.13
1	.40	.17	Granada Gold	4,990	.27	.28	.25	.28
No	.15	.05½	Grandora	......	(.06½ bid .07 asked)			
1	.93	.21	Greene Stabell	37,250	.38	.39	.35	.35
1	.09	.04	Grozelle	......	(.05½ Nov. 2)			
1	.16	.08	Grull Wihksne	1,000	.14	.13½	.13	.13
1	1.20	.75	Gunnar Gold	39,250	1.07	1.08	1.03	1.04
1	.10½	.02	Halcrow Swayze	14,900	.05	.05	.04	.04½
1	3.63	.30	Hard Rock	23,842	3.05	3.05	2.80	2.85
1	.26	.07	Harker	34,200	.16½	.17	.15	.15½
5	17.25	12.00	Hollinger	20,905	13.25	13.75	13.12	13.75
1	1.00	.55	Howey Gold	49,325	.60	.66	.60	.61½
No	33.50	22.87	Hudson Bay	12,427	32.75	33.50	31.37	31.50
1	14.25	10.75	Inter. Mining	......	(.... bid 12.50 asked)			
1	4.50	2.75	Do., Pur. Warr.	......	(4.00 Nov. 7)			
No	66.12	43.50	Int. Nickel	36,710	62.75	62.65	59.65	60.75
1	.80½	.28½	J. M. Cons. Gold	37,039	.42	.45	.40	.42
1	.75	.40	Kerr Lake	......	(.60 bid 1.00 asked)			
1	1.87	.30	Kirk. Hud. Bay	33,300	1.70	1.87	1.63	1.81
1	.94	.40	Kirkland Lake	25,850	.65	.65	.60	.63
1	.45	.03½	Kirk Premier	74,640	.12	.45	.18½	.36
1	.31	.14½	Kirk. Townsite	9,700	.20½	.22	.19½	.22
1	1.05	.55	Laguna	28,600	.87	1.05	.87	1.03
No	.21	.03	Lake Maron	153,600	.11	.11	.08½	.08½
1	62.75	51.75	Lake Shore	3,828	60.00	60.25	57.50	57.50
1	.47	.05	Lamaque Contact	63,560	.15	.16	.12	.12½
1	1.38	.70	Lava Cap	40,450	.88	1.06	.89	1.03
1	.29½	.12	Lebel Oro	72,699	.20	.21	.17	.17½
1	.15	.02½	Lee Gold	68,300	.08	.08	.06	.06
No	7.75	5.70	Little Long Lac	18,407	7.15	7.50	6.90	7.10
1	7.35	3.12	Macassa	30,420	7.05	7.20	6.75	6.90
1	.07	.01⅞	Malrobic	100,325	.04½	.04½	.04	.04½
No	.47	.12	Mandy	10,600	.33	.34	.30	.30
No	.30	.05½	Man. & Eastern	146,300	.18	.18½	.16	.16
1	.30	.05½	Maple Leaf	14,050	.20	.21	.20	.20½
1	.60	.35	May Spiers	43,400	.40	.44	.35	.39
5	49.25	38.00	McIntyre	4,002	41.50	41.87	40.00	40.00
1	2.24	1.22	McKenzie R. L.	15,750	1.80	1.80	1.65	1.70
1	.65	.45	McKinley	50	.63	.60	.60	.60
No	5.40	3.40	McLeod Cockshutt	75,330	5.25	5.40	5.05	5.05
1	.20	.02	McMillan	320,250	.14	.17½	.10½	.15
No	1.78	.86	McWatters	18,400	.95	.95	.90	.90
1	.42	.18	McVittie	14,050	.19	.20	.19	.19½
5	2.50	.50	Mentor Exp. & Dev.	100	2.50	1.50	1.50	1.50
No	3.15	1.10	Mining Corp.	11,215	2.93	2.90	2.61	2.65
No	1.00	.07½	Minto Mines	9,400	.25	.25	.20½	.21
1	.16½	.03	Moffatt Hall	11,600	.04	.04	.03½	.03½
1	.85	.51	Morris Kirk.	20,300	.74	.74	.69	.72
1	1.93	.06½	Moneta	65,830	1.60	1.65	1.50	1.55
1	2.05	.25	Montague	1,200	.55	.70	.50	.50
1	.09	.00½	Murphy	125,300	.05	.06½	.05½	.05½
No	.08	.02	Newbec	28,100	.05½	.05½	.05	.05
1	1.40	1.00	New Golden Rose	8,350	1.05	1.13	1.04	1.08
1	.06½	.01½	Night Hawk Penn.	21,700	.03½	.03½	.03	.03
5	3.05	2.30	Nipissing	3,655	2.60	2.66	2.55	2.65
No	75.00	44.50	Noranda	10,672	71.25	72.37	69.00	69.25
No	.63	.24½	Nor. Canada	8,702	.55	.55	.51	.55
1	.18	.09	Norgold	16,300	.10	.10½	.09	.10
1	14.00	.34	O'Brien	203,600	13.00	14.00	11.12	12.50
1	.85	.40	Omega	34,568	.52	.53	.50	.50
1	.24	.07	Osisko	15,400	.18½	.19	.16	.17½
No	5.20	3.10	Pamour	17,110	3.30	3.60	3.10	3.45
1	.48	.18	Parkhill	36,600	.26	.28	.25	.26
1	.46	.30	Paulore	39,100	.39	.40	.35	.35
1	.11	.02	Pawnee Kirk.	114,400	.03½	.03½	.03	.03
1	1.25	.50½	Paymaster	54,725	1.13	1.18	1.09	1.09
1	2.60	.65	Pend Oreille	89,609	2.30	2.47	2.00	2.12
1	2.00	1.12	Perron Gold	197,021	1.63	2.00	1.58	1.87
1	.04	.02	Peterson Cobalt	5,500	.02½	.03	.02½	.03
1	7.60	3.95	Pickle Crow	63,975	7.15	7.60	7.10	7.30
1	12.00	5.40	Pioneer Gold B. C.	8,790	5.80	5.75	5.40	5.50
1	.15	.04	Porcupine Crown	96,100	.07½	.07½	.06	.06½
1	1.70	.95	Powell Rouyn	200,400	1.47	1.70	1.40	1.63
1	3.56	1.80	Premier Gold	19,660	3.45	3.53	3.40	3.49
1	2.25	.21	Preston E. Dome	22,190	1.40	1.40	1.28	1.30
No	3.25	1.25	Prospectors Air's	600	1.30	1.32	1.25	1.25
1	1.40	.59	Quebec Gold	24,000	.66	.70	.65	.70
No	.11	.02	Quemont	......	(.09 bid .15 asked)			
1	4.45	1.43	Read Authier	17,610	4.25	4.35	4.25	4.30
1	2.55	.50	Red Lake	186,345	1.42	1.44	1.14	1.36
1	1.46	1.00	Reno Gold	13,875	1.38	1.38	1.30	1.30
1	.13½	.01	Ritchie	106,400	.08	.08	.05½	.06
1	.09¾	.04	Robb Montbray	193,100	.08½	.09	.08½	.09
1	.76	.05½	Roche Long Lac	42,400	.22½	.27½	.20	.22
1	3.45	1.69	San Antonio	46,260	2.50	2.72	2.30	2.35
1	1.16	.75	Shawkey	72,185	.77	.84½	.75	.79
50c.	.97	.56	Sheep Creek	2,800	.78	.85	.78	.85
1	2.95	1.00	Sherritt Gordon	40,951	2.40	2.55	2.25	2.25
1	5.10	2.87	Siscoe	28,170	4.40	4.45	4.15	4.25
1	1.45	.42½	Sladen Malartic	114,340	1.40	1.41	1.25	1.25
No	.08½	.03½	South Tiblemont	28,500	.04	.04½	.03½	.04
No	.89	.18½	Stadacona	286,655	.75	.86½	.73	.83
1	.38½	.15	St. Anthony	14,900	.16	.18	.16	.16½
No	6.40	3.00	Sudbury Basin	6,445	5.95	5.80	5.35	5.45
1	.35	.06	Sudbury Contact	17,500	.30	.30	.28	.28
1	.07½	.02½	Sudbury Mines	15,300	.03½	.03½	.03	.03
1	2.50	.83	Sullivan Cons.	38,553	1.98	2.06	1.93	1.95
1	3.65	2.25	Sylvanite	11,095	3.35	3.45	3.32	3.35
1	.68	.12	Tashota	30,750	.18	.19	.17	.17
1	6.70	4.30	Teck Hughes	17,060	5.75	5.70	5.25	5.35
1	1.50	.37½	Thomp. Cadillac	99,472	.80	.85	.80	.84
1	.27	.02	Timiskaming	17,300	.20	.20	.19	.19
1	4.45	1.20	Toburn Gold	2,490	3.85	3.95	3.03	3.80
1	1.38	.20	Towagmac	49,506	1.30	1.38	1.10	1.10
1	.80	.20	Treadwell	810	.65	.30	.30	.30
No	3.15	1.60	Ventures	27,580	2.95	2.98	2.79	2.80
No	2.49	1.00	Waite Amulet	5,363	2.19	2.10	1.95	1.95
50c.	.21	.05½	Wayside	87,800	.06½	.09½	.06½	.08
No	.06	.03	White Eagle	31,400	.04	.04½	.03½	.03½
1	.10	.03	Wiltsey Coughlan	8,500	.07½	.08	.07	.08
No	9.00	7.50	Wright-Hargreaves	39,460	8.05	8.10	7.59	7.75
No	.71	.35	Ymir Girl	17,100	.36	.37	.32½	.32½
			OIL STOCKS					
No	.18½	.09½	Acme Gas & Oil	6,800	.11½	.12	.10½	.12
1	.70	.40	Ajax	5,200	.41	.43	.40	.40
No	2.75	.70	Calgary & Ed.	142,500	1.90	2.75	1.89	2.55
1	.45	.05	Calmont	56,625	.30	.45	.30	.33
No	.27	.04½	Common Pete	24,850	.18	.27	.17½	.21
No	1.10	.36	Dalhousie	20,560	.74	1.10	.76	.99
No	.13½	.06	Eastcrest	30,288	.08½	.11	.09½	.10
No	.70½	.30	Foothills	9,925	.45	.60	.40	.60
No	.31	.10	High Sarcee	40,600	.15	.19	.14	.15
No	2.00	.70	Home	136,042	1.34	2.00	1.33	1.85
1	.81	.11	Homestead O. & G.	34,500	.41	.48	.40	.40
No	.95	.67	Hunter Valley	750	.70	.75	.67	.75
.	.23½	.15	Do., Warrants	22,000	.15	.15	.15	.15
No	.30	.07	Lowery	8,700	.17	.30	.15	.30
No	.24	.10	Merland	24,900	.12	.15	.12	.14
5	.26	.10	Nordon	16,900	.12½	.14	.12½	.14
No	.07	.03	Oil Selections	88,600	.04	.06	.04	.05½
No	.15	.06	Olga Gas & Oil	83,640	.06½	.08½	.07	.08½
1	.80	.52	Petrol Oil & Gas	400	.70	.65	.65	.65
No	40.50	26.00	Royalite	27,280	32.00	40.50	31.00	39.75
No	.30	.04	South West Pete.	1,800	.25	.30	.25	.30
No	2.50	1.45	Texas Can.	31,360	2.15	2.25	2.05	2.21

VANCOUVER STOCK EXCHANGE

Par Val.	Range 1936 High	Low	Company	Sales	Close Nov. 30 (or last)	High for week	Low for week	Close Dec. 7
25c.	.01	.00½	Bayview	......	(.00⅞ Nov. 7)			
20c.	.05	.01½	Beaver Silver	4,000	.02½	.02½	.02½	.02½
1	.76	.46	Big Missouri	13,050	.51	.53	.50½	.52
25c.	.01½	.01	Bluebird	......	(.01 bid .02 asked)			
No	9.00	5.60	Bralorne	4,703	8.15	8.10	7.95	8.00
1	.10	.03	Bridge River Cons.	1,500	.05½	.05	.05	.05
50c.	.25½	.08	B.R.X. Gold	11,800	.10	.10	.09	.09½
50c.	.18	.09	B. R. Mountain Gold	......	(.11 Oct. 30)			
1	.54	.17½	B. C. Nickel	75,550	.32	.32	.23	.23
1	2.95	1.50	B. C. Silver	25	2.55	2.30	2.30	2.30
50c.	.12½	.04	Canadian Rand	......	(.. bid .03½ asked)			
1	2.05	1.15	Cariboo Gold	2,750	1.75	1.75	1.71	1.74
1	.30	.06½	Congress Gold	16,050	.09½	.09	.07½	.07½
25c.	.01	.00¾	Cork Province	3,000	.00¾	.00¾	.00¾	.00¾
1	.04	.02	Cotton Belt	......	(.02 bid .... asked)			
1	.03½	.01	Dalhousie Mines	......	(.01 bid .01½ asked)			
No	.36	.10½	Dentonia	16,100	.11½	.12½	.11½	.12
No	.08½	.01½	Dictator	......	(.... bid .03½ asked)			
1	.07	.02	Dunwell	......	(.... bid .04 asked)			
No	.09½	.03	Fairview Amal.	6,573	.07½	.08	.07½	.07½
50c.	.80	.35	Fawn Mining	4,800	.69	.69	.65	.69
1	.18½	.02½	Federal Gold	10,000	.03½	.03½	.03½	.03½
1	.43	.15	George Copper	860	.30	.35	.30	.30
50c.	.05½	.02	George Enterprise	......	(.03 bid .05 asked)			
1	.02½	.01	Georgia River	5,000	.01½	.01½	.01½	.01½
50c.	.02½	.01	Glacier Creek	......	(.01 bid .... asked)			
1	.24	.09	Golconda	3,900	.12	.13	.10	.12
50c.	.54	.10	Gold Belt	4,200	.12	.14	.12	.12
50c.	.19½	.05	Gold Mountain	137,500	.13	.19½	.14	.19
50c.	.10	.02	Grandview	55,000	.09	.09	.07	.07½
No	.07½	.01½	Grange Mines	1,000	.02½	.02½	.02½	.02½
1	.15½	.07	Grull Wihksne	16,000	.13½	.14	.13	.13
No	.05½	.00½	Haida Gold	......	(.00½ Nov. 27)			
50c.	.32	.12	Hedley Amal.	31,900	.17	.17	.13½	.13½
No	.05	.03	Hedley Sterling	......	(.03 June 22)			
No	.08	.02	Home Gold	3,300	.02½	.03	.03	.03
1	.02	.00½	Independence	2,000	.00½	.01	.01	.01
1	.03	.01½	Indian Mines	......	(.02½ bid .03 asked)			
50c.	1.85	.95	Island Mountain	1,100	1.15	1.24	1.16	1.24
1	.23	.18	Inter'tl Coal	100	.21	.23	.23	.23
50c.	.10½	.05½	Inter'tl Gold	29,200	.07	.08	.07	.07½
50c.	.93	.30	Kootenay Belle	14,800	.85	.90	.84	.89
20c.	.01½	.00½	Koot. Florence	46,500	.01	.01½	.00½	.00½
25c.	.00½	.00½	Kootenay King	......	(.00½ bid .... asked)			
25c.	.00½	.00½	Lakeview	......	(.00½ Nov. 9)			
10c.	.04½	.01	Lucky Jim	34,000	.04½	.04½	.03½	.04½
No	.14½	.02½	Mak Siccar	25,000	.05	.05	.03½	.03½
50c.	.00½	.00½	Marmot Metals	......	(.00½ bid .00½ asked)			
1	.20	.12	McGillivray Creek	......	(.18 bid .20 asked)			
50c.	.14½	.02	Meridian Min.	11,700	.02½	.03½	.02½	.03½
No	.94	.07	Minto Mines	73,000	.25	.25	.20	.20½
No	.05	.01½	Morning Star	12,000	.02½	.02½	.02½	.02½
1	.01	.00½	Morton Woolsey	......	(.00⅞ Nov. 25)			
25c.	.03½	.02	National Silver	......	(.02½ Oct. 6)			
50c.	.22½	.07½	Nicola	14,400	.10½	.10	.09½	.09½
50c.	.05½	.02	Noble Five	29,550	.04½	.04½	.03½	.03½
1	2.50	.65	Pend Oreille	10,330	2.23	2.40	2.08	2.14
No	.09	.02	Pilot Gold	16,000	.05	.05	.04½	.04½
1	11.85	5.45	Pioneer Gold	3,280	5.90	5.75	5.45	5.45
50c.	.07	.04	Porter Idaho	4,000	.06	.06	.05½	.05½
No	.01½	.00½	Premier Border	......	(.00½ bid .01 asked)			
1	3.52	1.80	Premier Gold	6,180	3.40	3.50	3.40	3.48
1	.05½	.01	Quatsino Copper	5,000	.03½	.03	.03	.03
25c.	.13½	.05	Quesnelle Quartz	6,300	.08	.08½	.07	.08½
.01	.09½	.02	Reliance	14,100	.02½	.03	.02½	.02½
1	.50	.26	Relief Arlington	5,300	.33	.32	.30	.30
No	.30	.05	Reeves McDonald	6,100	.25	.25½	.21	.25½
1	1.50	1.00	Reno Gold	2,250	1.35	1.35	1.27	1.27
1	.15	.02	Reward Mining	69,150	.05	.05½	.05	.05½
1	.02½	.00½	Rufus Argenta	1,000	.01½	.01½	.01½	.01½
1	.03	.01	Ruth Hope	1,000	.03	.03	.03	.03
1	.15	.07	Sally Mines	150	.10	.10	.10	.10
50c.	.13½	.07½	Salmon Gold	5,000	.08	.08	.07½	.08
50c.	.97	.55	Sheep Creek	11,750	.78	.85	.80	.82
1	2.50	2.50	Silbak Premier	500	.....	2.50	2.50	2.50
25c.	.08	.03	Silvercrest	6,600	.04½	.04½	.03½	.04
20c.	.02½	.01	Silversmith	7,000	.02	.01½	.01½	.01½
50c.	.01	.00½	Snowflake	7,500	.00½	.00½	.00½	.00½
1	.54	.36	Standard Silver	600	.40	.40	.40	.40
1	.30	.10	Sunloch	......	(.20 bid .27 asked)			
10c.	24.25	16.50	Sunshine	......	(17.00 Sept. 23)			
No	.24	.06½	Taylor Bridge	10,400	.07½	.08	.06½	.06½
1	.21	.07	Taylor Windfall	......	(.... bid .12 asked)			
50c	.04½	.01	United Empire	166,500	.01½	.01½	.01	.01½
No	1.88	.65	Vidette Gold	1,650	1.18	1.25	1.07	1.07
No	.08½	.00½	Viking Gold	7,000	.01½	.01½	.01½	.01½
No	.06½	.01	Waterloo Gold	31,000	.01½	.01½	.01½	.01½
50c.	.01½	.00½	Waverley Tangier	3,500	.00½	.00½	.00½	.00½
50c.	.20½	.05½	Wayside	41,600	.07	.08½	.06½	.08
50c.	.32	.19	Wesko	74,850	.25	.32	.25	.30
1	.06	.02½	Whitewater	14,000	.05½	.05½	.05½	.05½
No	.69	.34	Ymir Yankee Girl	1,600	.40	.36	.34	.34
1	.23	.09	Alta. Pac. Cons.	22,214	.18	.22	.18	.20
1	.15	.04	Amalgamated	20,200	.04½	.06	.04½	.06
1	.11	.02½	Anaconda	90,300	.07½	.11	.07	.09½
No	.05	.02	Baltac	3,500	.03½	.04½	.03½	.04½
1	.43	.09½	Brit. Dominion	2,300	.18	.20	.16	.20
No	2.70	.70	Calgary & Ed.	52,805	1.95	2.70	1.88	2.69
1	.26	.04½	Commonwealth	21,825	.19	.26	.21	.21
1	.45	.05	Calmont	43,652	.32	.45	.31	.32
1	.15	.04½	Crow's Nest	18,600	.04½	.08½	.04½	.05½
No	1.05	.36	Dalhousie	32,332	.73	1.05	.75	.95
No	.06	.02	Devenish	4,150	.05½	.06	.05	.05
No	.12½	.04½	Freehold	94,300	.08½	.12	.08½	.10½
No	.28	.04	Hargal	22,935	.20	.28	.19	.23
			OIL STOCKS					
No	.38	.09½	High Sarcee	7,500	.15	.15	.14	.15
No	1.95	.70	Home Oil	34,550	1.34	1.95	1.35	1.85
No	.05½	.01	Madison	77,300	.03½	.05½	.03½	.04½
No	.25	.11½	Marjon Oil	10,600	.14	.14½	.13	.13½
No	.26	.05	McD. Segur Ex.	247,850	.15½	.26	.14	.18½
1	.75	.20	McLeod	1,100	.55	.50	.50	.50
No	.33	.10½	Mercury	491,560	.16	.33	.15½	.28
No	.24	.09	Merland	5,850	.10	.14	.11	.13
No	.25	.08	Mill City Pete	26,900	.13	.25	.15	.28
1	.50	.20	Model	77,895	.35	.50	.37	.40
5	.26	.10	Nordon	1,700	.13	.14	.13	.13
No	1.15	.04	Okalta	362,550	.78	1.15	.74	.94
No	.15	.04	Pacalta Oil	65,500	.11	.15	.10½	.10½
1	.83	.34	Ranchmen's	300	.39	.38	.36	.36
No	41.00	26.25	Royalite	1,847	32.50	41.00	31.25	40.00
1	.27	.09	Spooner	4,530	.20	.25	.19	.19
No	.20	.05	United	61,150	.15½	.20	.14	.17
No	.12½	.04½	Vanalta	44,100	.10½	.12½	.09	.09½
1	1.06	.10	Vulcan	8,220	.80	1.00	.83	.85
1	.08½	.07	Wellington Oil	......	(.... bid .08 asked)			

Corporation Bonds

Supplied by Toronto Bond Traders' Association

December 8, 1936

Public Utility Issues:	Int. Rate	Due	Bid Dec. 8	Asked Dec. 8	Bid Dec. 1
*Ass. Tel. & Tel.	5½	'55	82½	85½	84½
Beauharnois P.	5	'73	46½	51½	49
*Bell Telephone	5	'55	116	118	115
*Do.	5	'57	122½	125½	122
†B. C. Power	5	'60	...	...	104½
†Do.	5½	'60	...	...	104½
†B. C. 'Phone	4½	'61	105½	108½	105½
*Calgary Power	5	'60	96	99	96
†Can. Nor. Pwr.	5	'53	103	106	103
*Dom. Gas & El.	6½	'45	94½	97½	93½
*Gatineau Pwr.	5	'56	102½	105½	101½
*Do., A	6	'41	100½	103½	99½
*Do., B	6	'41	99½	102½	98½
*Inter. Hydro-E.	6	'44	81½	84½	85
*Inter. Power	6½	'57	98½	101½	98
†Maclaren-Que. Power	5½	'61	93½	96½	93½
†Do.	5½	'64	93	96	93
†Mtl. Island Pr.	5½	'57	104½	107½	104½
†Mtl. L. H. & Pr.	3½	'56	102	105	102
†Mtl. Tramways	5	'41	103	106	102½
†Do.	5	'55	85	88	85
Nfld. L. & P.	4½	'56	100½	103½	100½
†N. S. L. & Pr.	5	'58	103	106	103
Do.	5	'65	102	105	102
†Ot'wa L.H.&P.	5	'57	104	107	104½
†Ottawa Tract.	5½	'55	101	104	101
†Ottawa V. Pwr.	5½	'70	81½	84½	81
†Power Corp.	4½	'59	100	103	100
*Quebec Pwr.	5	'68	103	106	103½
Saguenay Pwr.	4½	'66	104½	107½	105
†Shaw. W. & Pr.	4	'61	99	102	99
†Do.	4½	'70	103½	106½	103
†South. Can. Pr.	5	'55	103	106	103
*Winnipeg Elec.	4½	'60	104	107	104
Do., A	4	'65	76	79	75½
Do., B	4	'65	66½	69½	65½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	75½	78½	78
Acadia Sugar	4½	'55	100½	103½	101½
†Alta. Pac. Gr.	6	'46	95½	98½	99
Asbestos Corp.	5	'42	109	112	109
B. A. Oil	4	'45	102½	105½	102½
†Canada Cement	4½	'61	103	106	103½
†Can. Steamship	6	'41	58½	61½	56½
Can. Canners	4	'51	99	102	99
*Can. Inter. P.	6	'49	100	103	100½
C. P. R.	3½	'51	99½	102½	99½
Do.	4	'49	105½	108½	104½
Do.	4½	'44	102	105	102
Do.	4 Perp.		96½	97	96⅞
*Can. Vickers	6	'47	98½	101½	98
†Consol. Paper	5½	'41	65½	68½	64½
*Dominion Coal	6	'55	99	102	99½
Dom. Sq. Corp.	6	'48	62½	65½	61½
‡Dom. Stl. & C.	6½	'55	83½	86½	82½
†Dominion Tar	4½	'51	100	103	99½
Dom. Textile	4½	'55	106	109	106
†Donnacona P. 3-4-4½		'56	80½	83½	81
†Eastern Dairies	6	'49	80	83	79
†Famous Players	4½	'51	99	102	98½
†Federal Grain	6	'49	98½	101½	98½
†Fraser Cos.	6	'50	102	105	102
†Gen. Steel W.	6	'52	103½	106½	104
Gt. Lakes Pap.	5	'55	82	85	80
†Gypsum, L.&A.	5½	'48	102	105	102
Hamilton Cot.	5½	'48	103	106	...
*Ham. By-Prod. Coke	5	'50	101	104	101
*Hinde & Dauch	5½	'48	103	106	103
†Inter. Paper	6	'55	97½	100½	97½
†Inter. P. & P. Nfld.	5	'68	103	106	103
Inter. City Bak.	5½	'48	103	106	103
Inter-City West. Bakeries	6½	'50	53	56	53½
†Kingston Elev.	6	'50	97½	100½	97½
†Lake St. John P. & P.	6½	'47	124½	127½	119½
†Do.	6	'42	105	108	103
†Maple L. Mill.	5½	'49	81	84	83½
†Massey-Harris	5	'47	94½	97½	93½
†McColl-Front.	6	'49	103	106	104
†Mersey Paper	6	'49	99	102	99
*Minn. & Ont. P.	6	'45	51½	54½	52½
Mtl. Dry Docks	6	'48	90½	93½	89½
*Prov. Paper	5½	'47	103	106	...
Queen's Hotel	6	'47	98	101	98
*Reliance Grain	6	'48	104½	107½	104½
†Restigouche Co.	6	'48	109½	112½	110½
†Rolland Paper	4½	'51	102½	105½	102½
Ruddy & Co.	6½	'48	...	...	98½
†Smith, Howard	4½	'51	101½	104½	101½
†Steel of Can.	6	'40	112½	115½	112½
Twin City	5½	'52	94½	97½	93
United Amuse.	5	'56	99	102	99
Unit. Grain Gr.	5	'48	95½	98½	94½
Do.	5½	'49	96½	99½	96½
Union Gas	4½	'43-'50	98	101	98

‡Payable in Canada or U. K. †Payable in Can., U. S., or U. K. *Payable in Can. or U. S.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

December 8, 1936

Industrial Stocks:	Bid	Asked
Acadia Sugar, com.	5.35	5.50
Do., pfd.	5.25	5.40
Acme Farmers Dairy, pfd.	44.00	....
Andian National	47.50	48.25
Assoc. Tel. & Tel., pfd.	54.00	55.00
B. C. Pulp & Paper, pfd.	17.50	....
Burns & Co., A	7.75	8.00
Do., B	5.00	6.00
Canada & Dom. Sugar	67.75	68.50
Canada Starch, pfd.	100.00	....
Can. Tube & Steel, 1st pfd.	70.00	....
Do., 2nd pfd.	14.00	....
Can. Wire & Cable, pfd.	117.00	120.00
Can. Airways	9.25	11.00
Can. Industries, A com.	246.00	....
Do., B com.	246.00	250.00
Do., pfd.	166.00	167.00
Can. Ingersoll Rand	128.50	133.00
Chase, A. W., pfd. bonus	28.00	....
Claude Neon Gen. Adv., pfd.	8.75	10.00
Conduits Nat., new com.	4.75	5.10
Dom. Found. & Steel, com.	80.00	85.00
Do., pfd.	98.00	100.00
Dominion Rubber, pfd.	99.00	102.00
Dunlop Tire, pfd.	82.00	83.50
Federal Grain com.	3.50	4.00
Do., pfd.	46.50	47.50
Goderich Elevator	10.25	11.00
Great Lakes Paper, pfd.	19.00	19.50
Greening Wire, pfd.	109.00	113.00
Guelph Carpet pfd.	105.50	106.50
Do., com.	23.25	24.50
Hayes Steel Prod., com.	5.25	....
Do., pfd.	6.50	....
Highland Dairy, com.	3.60	4.00
Do., pfd.	....	84.00
Inter City Bak., com.	36.00	39.00
N. Meth. Laund., pfd. bonus	82.00	....
Provincial Paper, pfd.	106.00	107.00
Reliance Grain, pfd.	95.25	97.00
Rob. Consol. Cone	9.75	10.25
Ruddy, E. L., pfd.	37.00	40.00
Standard Fuel, com.	9.25	10.50
Do., pfd.	108.25	108.50
Supertest Petrol., B pfd.	27.25	28.00
Toronto Carpet, pfd.	44.00	....
United Steel, A pfd.	13.00	13.50
Western Grain, pfd. bonus	11.25	13.50
Wings Limited	2.30	2.40
Trust & Loan Stocks:		
Chartered Trust	85.00	88.00
Commercial Finance, com.	2.50	3.00
Debenture Co. of Can.	16.00	....
Guelph Ont. Inv., par $50	48.00	50.75
London & West. Trust	53.00	55.00
Premier Trust	....	103.50
Sterling Trust	33.00	....
Traders Fin. Inc. Rts.	11.00	....
Do., B 7% pfd. bonus	86.00	....
Trusts & Guarantee	....	32.00
Insurance Stocks:		
British America	51.00	....
Canada Life	530.00	545.00
Canadian Fire	77.00	....
Can. Ins. Shares	12.50	15.00
Confed. Life 20% pd.	112.00	115.00
Cont. Life 20% pd.	38.00	44.00
Crown Life	150.00	....
Dominion Fire	135.00	....
Dominion Life 50% pd.	280.00	300.00
Dom. of Can. Gen.	118.00	125.00
Empire Life 25% pd.	7.50	8.60
Excelsior Life 30% pd.	69.00	72.00
Federal Fire 25% pd.	40.00	....
Fidelity Ins. of Can.	45.00	....
Great West Life	360.00	375.00
Guar. of N.A., fully pd.	280.00	....
Halifax Fire	23.75	24.50
Imperial Life	360.00	....
Manufacturers Life	245.00	255.00
Monarch Life 10% pd.	20.00	21.75
National Life 25% pd.	....	48.50
Sovereign Life 25% pd.	15.00	17.00
Sun Life	625.00	635.00
Toronto General	5.25	6.00
Western Assurance, com.	45.50	46.50
Do., pfd.	41.00	44.00
Theatre Stocks:		
Allens Beach, pfd.	67.00	70.00
Do., Kingston, pfd.	61.00	....
Do., Parkdale, pfd.	71.00	....
Do., Toronto, pfd. bonus c.	30.00	35.00
Eastern Theatres, pfd.	72.00	76.00
Loew's, Buffalo, pfd.	3.50	4.00
Do., London, pfd.	2.75	3.00
Do., Toronto, pfd.	116.00	....
Mansfield Theatre, pfd.	30.00	32.00
Paramount, Kitchener, pfd.	51.00	....
Do., Oshawa, pfd.	86.00	....
United Amusement, A	18.00	....
Do., B	16.00	....
Investment Trust Shares:		
Can. Gen. Invest.	10.50	10.80
Can. Int. Inv. Trust Units	102.50	....
Can. Investors Corp.	9.50	10.00
Cons. Div. Std. Sec. Units	18.50	19.50
Corporate Investors	....	8.00
Dom. Scottish Inv. Units	44.50	46.00
Invest. Foundation Units	64.50	66.00
Sec. Holding Units	24.00	25.50
Third Can. Gen. Inv. Trust	2.00	....
United Corpns., A	27.00	28.00
Do., B	19.00	20.00
Power Issues:		
Calgary Power, pfd.	76.00	78.00
Can. West. Nat. Gas, pfd.	85.50	87.00
Do., com.	24.00	27.00
Great Lakes Power, pfd.	99.00	....
Inter. Util., 1.75 pfd.	9.75	10.50
Do., 7.00 pfd.	94.00	96.00
Montreal Island Pwr., pfd.	15.25	....
Nor. Ont. Power, pfd.	103.50	105.00
Nova Scotia L. & P., pfd.	104.50	106.00
Do., com.	92.00	....

Unlisted Mines

December 8, 1936

	Bid	Asked
Admiral	.32	.34
Albany River	1.10	1.15
Algold	.45	.48
Algoma Summit	..	1.95
Ardeen	.17	.19
Arrowhead	.44	.46
Area	.04½	.05
Athona	..	.25
Alliance	.01	.02
Alsbach	.05½	.07
Amos Cad.	.22	.25
Big Master	.20	.23
B.E.A.R.	.32	.35
Blue Star	.25	.27
Bousquet Gold	.07½	.08½
Brae Breest	.21	.24
Brengold	.22	.24
Bilmac	.23	.26
Bailor	.06	.06½
Bathurst	.04	.04½
Beresford L.	.62	.65
Calder Bosquet	..	.21
Callinan Flin Flon	.09½	.10½
Canadian Pandora	.18	.20
Candalaca	.34	.36
Centrecour	.21	.23
Colonial	.35	.37
Coin Lake	.23	.26
Columario (new)	.03	.04
Cuniptau	.14	.16
Continental Kirk.	.25	.28
Casey Summit	.24	.27
Cres. Kirkland	.20	.23
Casey Contact	.03½	.04½
Clifton	.01¾	.02¾
Delnite	.80	.90
De Santis (new)	..	.67
Derlak	.18	.20
Dona Pat	.36	.38
Darwin	.39	.42
Demp Cad.	.33½	..
Don Martic	.26	.29
Dunlop (new)	.17	.19
Doreva	.72	.74
Dupont Hodgson	..	.18
Empress Cons.	.84	.86
Franklin	.01½	.02½
Falkenham	.39	.40
Frontier R. Lake	.15	.17
Galateas	.05	.06
Garnet	.08½	.09½
Gateway Pat.	.16	.19
Gillies Lake	.60	.61
Gold Eagle	..	.75
Goldside	.08	.09
Golden Gate	.44	.45
Gordon Lebel	.20	.23
Gilbec	.06½	.07½
Hayes Cadillac	.24	.26
Holtyrex	.06½	.07
Horseshoe	.10	.11
Hudson Patricia	.12	.13
Hugh Pam.	..	.25
Hutchison Lake	.24	.25
Jellicoe	.35	.38
Johnson Nipigon	.05	.05½
Kaw Crow	.16	.19
Kenecho	.14	.16
Kenricia	.72	.75
Keora	..	.08
Kirk King	.22	.25
Kerr Addison	.24	.26
King Kirk	.04¾	.05¼
Lamaque	6.75	7.25
Lafayette	.05	.05½
Lapa Cadillac	.79	.82
Leitch Gold	.70	.73
Lake Rose	..	.35
McFarlane	.08½	.07½
Manitoba Basin (new)	.03	.04
Margaret	.28	.28
Madsen Red L.	1.30	1.34
Magnet Lake	.11	.12½
Martin McNeely	.07	.08
Matachewan Can.	.18	.20
McCarthy Webb	.47	.50
Mosher	.45	.47
Murmac	.09	.10
Martin Bird	.27	.29
Mooshla	.58	.60
Monarch Mines	.40	.43
McVittie Kirk.	.06	.07
Maritime	.40	.43
Matona	.31	.34
Norlake	..	.16
North Shores	.04	.04½
Old Diamond	.41	.44
Oklend	.54	.56
O'Leary	.18	.20
Opemiska Cap.	..	.30
Oriole	.12	.13
Oremond	.23	.24
Ossian	.13	.14
Porcupine Gold R.	.02	.03
Porcupine Lake	.55	.57
Pascalis	.45	.47
Porquin	.18	.20
Pandora Cadillac	.02	.03
Red Crest	1.43	1.47
Richmac	.38	.40
Rosaner	.30	.33
Rouyn Reward	.07½	.09½

UNLISTED MINES—(Continued)

	Bid	Asked
Rubec	.46	.48
Sand River	..	.30
Schreiber	.10	.12
Skookum	.27	.30
Smelter Gold	.08½	.09½
South Keora	..	.13
Spooner	.22	.25
Springer	.14	.16
Sturgeon R. Gold	.49	.52
Shenango	.28	.30
Slave Lake	..	3.15
Tonawanda	.18	.20
Upper Can.	.48	.50
Wendigo	.29	.32
West-Side	.07½	.08½
W. Red Lake	..	.09
White Horse	.18	.20
Winoga	.42	.45
Young Davidson	.16	.18
Young Shannon	.16	.18
Ypres Cadillac	.20	.23

Winnipeg Stocks

(Transactions from Nov. 30 to Dec. 5)

	Sales	High for period	Low for period	Close Dec. 5
Oliver Gold	500	.05	.05	.05
Federal Grain, c.	2	2.00	2.00	2.00
Do., pref.	500	46.00	46.00	46.00
Flin Flon	15,550	.24	.18	.18
Cres. Cream., p.	15	37.00	36.00	36.00
Cryderman	9,200	.04	.03	.03
Canadian Fire	13	77.00	77.00	77.00
Dom. Envel., pf.	20	94.25	94.25	94.25
Herb Lake	1,184	.16	.16	.16
Gold Lake	14,449	.09½	.05	.06
Gurney Gold	26,050	.54½	.47	.54½
Island Lake	10,300	.04	.03	.03
Ore Grande	4,900	.20	.18	.19
Oxford M.	350	.80	.75	.80
Optic Lake	220	1.50	1.20	1.40
Madsen Lake	500	1.35	1.25	1.35
Star Lake	500	.02	.02	.02
Packsack	505	.26	.26	.26
Sachigo River	40	18.00	17.75	18.00
United Grain	122	10.00	10.00	10.00
Vanson Man.	1,000	.01½	.01½	.01½
Wingold	6,500	.06½	.05½	.05½
Wings Ltd.	3,360	2.60	2.35	2.50
Wpg. R. Tin	4,000	.02	.01½	.02
Wallace Lake	500	.02	.02	.02
Wylie Dom.	4,800	.47	.44	.45

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire Ins.	..	100
Can. Indemnity	125	..
Comm. Securities	..	10..
Dom. Envelope, com.	..	1¼
Home Invest.	..	20
Northern Mtge., part pd.	..	3½
North. Can. Mtge., pf.	4	..
Traders Bldg.	80	..

*Stocks more active on other exchanges not included.

Municipal Bonds

	Rate	Date	Bid	Ask.	Yld.
†Halifax	5	1961	114.00	116.00	3.97
Hamilton	5	1950	109.50	111.50	3.90
Montreal	5	1945	104.50	106.50	4.09
Ottawa	4½	1945	109.00	111.00	3.00
†Quebec	5	1959	105.00	107.50	4.47
Saint John	5	1950	107.00	108.50	4.19
†Toronto	4½	1955	112.00	114.00	3.45
†Vancouver	5	1950	86.00	91.00	5.98
Winnipeg	5	1944	97.00	100.00	5.00

†Payable Can. and N. Y.

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.50	4.75
Can. Invest. Fund	4.60	4.95
Grouped Income	6.65	7.30
Can. Equity	13.50	....
All Can. Com.	14.50	15.00
Trans. Canada	14.00	14.30
Can. Int. Trust, modified	6.00	6.50
Do., unmodified	5.50	6.00

DIVIDEND NOTICES

Associated Breweries of Canada Limited

DIVIDEND NOTICE

Notice is hereby given that a Quarterly Dividend (No. 33) of 1¾% upon the outstanding Preferred Shares of the Company has been declared, the said Dividend to be payable on or after the First day of January, A. D. 1937, to Shareholders of record at the close of business on the 15th day of December, A. D. 1936.

Notice is also given that a Quarterly Dividend (No. 28) of 15c per share on the No Par Value Common Shares of the Company issued and outstanding has been declared, payable on or after the 31st day of December, A. D. 1936, to shareholders of record at the close of business on the 15th day of December, A. D. 1936.

By Order of the Board,
I. N. WILSON,
Treasurer.

Calgary, Alberta.
December 4th, 1936.

THE B. GREENING WIRE COMPANY, LIMITED

Preferred Dividend No. 43

NOTICE IS HEREBY GIVEN that the quarterly dividend of one and three-quarters per cent. on the Preferred Shares of the Company has been declared payable January 1st, 1937; also a dividend of one and three-quarters per cent. to apply on account of deferred dividends, to shareholders of record December 15th, 1936.

F. J. MAW,
Secretary.

Hamilton, Ont., December 5, 1936.

Western Grocers Limited

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

On the Preference Shares, 1¾% for the current quarter, payable January 15th, 1937, to shareholders of record December 20th, 1936.

On the Common Shares, 60c per share, payable January 15th, 1937, to shareholders of record December 20th, 1936.

By order of the Board.
W. P. RILEY,
President.

Winnipeg, Man.,
December 5th, 1936.

International Paints (Canada) Limited

The regular dividend of 3¾% for the nine months ended September 30th, 1936, and an additional dividend on account of arrears of 1¼% or 25 cents per share, have been declared on the new 5% Cumulative Participating Preferred Stock of the Company, payable on December 21st, 1936, to shareholders of record at the close of business on December 9th, 1936.

By Order of the Board.
D. R. W. McKEAN,
Secretary-Treasurer.

Montreal, December 1st, 1936.

POWER CORPORATION OF CANADA LIMITED

Second Preferred Dividend No. 38

NOTICE is hereby given that a dividend of one and one-half per cent (75 cents per share) being at the rate of 6% per annum, has been declared on the 6% Non-Cumulative Participating Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending December 31st, 1936, payable January 15th, 1937, to shareholders of record at the close of business on December 31st, 1936.

By order of the Board,
L. C. HASKELL, Secretary.

Montreal, November 27th, 1936.

Acme Glove Works Limited

DIVIDEND NOTICE

A quarterly dividend of 1⅝% (One and Five-Eighths Per Cent) has been declared on the 6½% Cumulative Preferred Shares of capital stock of this Company, to be paid January 2nd, 1937, to shareholders of record at the close of business on December 19th, 1936.

A dividend of 12½c. (Twelve and One-Half Cents) per share has been declared on the no par value Common Stock of this Company, to be paid on January 2nd, 1937, to shareholders of record at the close of business on December 19th, 1936.

By Order of the Board,
A. LEPINE,
Secretary.

Montreal, December 4th, 1936.

BRITISH AMERICAN OIL COMPANY B-A LIMITED

NOTICE is hereby given that the regular dividend of Twenty Cents (20c.) per share has been declared on the issued No Par Value capital stock of the Company for the fourth quarter ending December 31st, 1936. In addition there has been declared a bonus of Twenty Cents (20c.) per share on the issued No Par Value capital stock applicable to the year 1936. The above dividend and bonus (forty cents per share) are payable in Canadian funds, January 2nd, 1937; to shareholders of record at the close of business on the 15th day of December, 1936. Share Warrant Holders will present Coupons Serial No. 27 to the Royal Bank of Canada, Toronto, Ontario, or to the Royal Bank of Canada, Montreal, Quebec, on or after January 2nd, 1937.

By Order of the Board,
H. H. BRONSDON,
Secretary.

Dated at Toronto, December 1st, 1936.

TEXTILE DOMINION CO. LTD. Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of One Dollar and Twenty-five cents ($1.25) per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st December, 1936, payable 2nd January, 1937, to shareholders of record 15th December, 1936.

By order of the Board,
L. P. WEBSTER,
Secretary.

Montreal, November 23rd, 1936.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1936, making a total distribution of ten per cent for the current year—the Dividend will be payable at the Head Office of the Bank and its Branches on and after Saturday, the 2nd day of January, 1937, to shareholders of record of the 19th December, 1936.

By Order of the Board.
DUDLEY DAWSON,
General Manager.

Toronto, 13th November, 1936.

The Consolidated Mining & Smelting Company of Canada, Limited

DIVIDEND No. 63

Notice is hereby given that a Dividend of 50c per share on the paid up Capital Stock of the Company for the six months ending December 31st, 1936, with a bonus for the year of $1.00 per share, has this day been declared, payable on the 31st day of December, 1936, to Shareholders of record at the close of business on the 14th day of December, 1936.

By Order of the Board.
J. E. RILEY,
Secretary.

Montreal, Que.
December 7th, 1936.

POWER CORPORATION OF CANADA LIMITED

Preferred Dividend No. 46

NOTICE is hereby given that a dividend of 1½% (being at the rate of 6% per annum) has been declared on the 6% Cumulative Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending December 31st, 1936, payable January 15th, 1937, to shareholders of record at the close of business, on December 31st, 1936.

By order of the Board,
L. C. HASKELL, Secretary.

Montreal, November 27th, 1936.

The Ontario Loan and Debenture Company

198th DIVIDEND

Notice is hereby given that a QUARTERLY DIVIDEND of $1.25 per share for the current quarter ending 31st December, 1936, has been declared on the paid up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 2nd January, 1937, to Shareholders of record of the 15th December, 1936.

By Order of the Board.
T. H. MAIN, Manager.

London, Ontario, 1st December, 1936.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.50 per Share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

2nd January, 1937,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
WALTER GILLESPIE,
Manager.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 34

NOTICE is hereby given that a dividend of Forty cents (40c) per Share on Class "A" Shares has been declared for the three months ending December 31st, 1936, payable on January 15th, 1937 (less 5% Dominion of Canada tax in the case of non-residents of Canada), to shareholders as of record at the close of business on December 31st, 1936. Cheques will be mailed by the Montreal Trust Company, Montreal.

By Order of the Board,
ERNEST ROGERS,
Secretary.

Vancouver, B.C.
December 5th, 1936.

TEXTILE DOMINION CO. LTD. Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three Quarters per cent. (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st December, 1936, payable 15th January, 1937, to shareholders of record 31st December, 1936.

By order of the Board,
L. P. WEBSTER,
Secretary.

Montreal, November, 23rd, 1936.

SOUTHERN CANADA POWER COMPANY LIMITED

Preferred Dividend No. 68

A DIVIDEND of one and one-half per cent, (1½%) being at the rate of 6% per annum, on the PREFERRED STOCK of SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending December 31st, 1936, payable January 15th, 1937, to shareholders of record at the close of business on December 19th, 1936.

By order of the Board,
L. C. HASKELL,
Secretary.

Montreal, November 27th, 1936.

Canadian Wirebound Boxes Limited

Dividend Notice

The Directors of the Company have declared a dividend on account of arrears of 37½ cents per share on the class "A" shares of the Company, payable January 2nd, 1937, to shareholders of record the close of business December 15th, 1936.

By order of the Board,
J. P. BERNEY,
Secretary.

Toronto, December 1st, 1936.

THE CANADIAN BANK OF COMMERCE

The Annual Meeting of the Shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, No. 25 King Street West, Toronto, on Tuesday, the 12th day of January next. The Chair will be taken at 11.30 o'clock a.m.

By order of the Board.
S. H. LOGAN,
General Manager.

Toronto, 20th November, 1936.

Week in Wheat

U. K. Buyers Hesitate; Hope for Lower Price

From Our Own Correspondent

WINNIPEG.—Prices after sharply rising have shown a tendency to hesitate. Under the leadership of Liverpool the market has sought to digest conflicting reports regarding the Argentine crop. One private estimate of only slightly over 218 million bushels had not had as much bullish effect as might have been expected, an indication that previous estimates as high as 260 million bushels had not been generally accepted. Traders have had similar experience in previous years in securing reliable estimates at this time. Probably about 225 million bushels is about the figure which the market is now discounting.

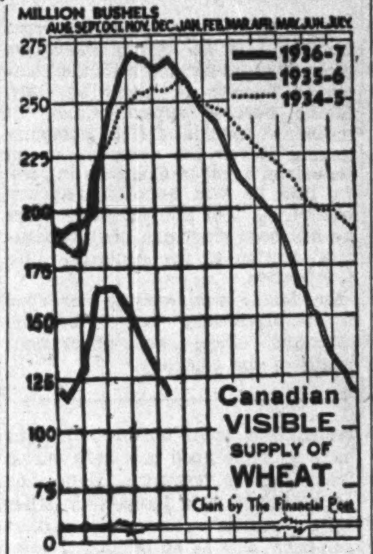
The impressive rate at which the Canadian visible supply is declining begins to attract more attention abroad. While Liverpool has been the primary influence on the Winnipeg market, signs are appearing of increasing interest by United States mills, and greater market influence from that quarter in the near future is anticipated.

Rise Strongly Supported

On the demand side of the wheat market the most important influence has been the persistence of Italian buying. The trade now expects that country to purchase approximately 56 million bushels. This is a big change from two years ago when observers believed that Italy had reached the goal of self-sufficiency.

The fact that the Canadian Wheat Board is believed to have been steadily reducing its holdings is regarded as important. That belief increases the willingness of both speculative and commercial buyers to take on commitments.

A speculative factor of shifting importance is the continually repeated suggestion that Great Britain is likely to lay in food supplies as a war reserve. No matter how the political situation develops, it is regarded as holding the possibility of improvement.



Last week witnessed further big wheat selling with export clearances dropping close to seven million bushels and visible coming down to approximately 120 million bushels. Rapidly diminishing supplies of World surplus wheat are beginning to make importers nervous.

Canadian Visible

Week of Dec. 4	Last Week	Last Year
120,114,000	127,860,000	266,556,000

Export Clearances*

Week of Dec. 4	Last Week	Last Year
6,680,971	5,658,898	3,142,069

*Plus U. S. imports.

DIVIDEND NOTICES

Canadian Car & Foundry Company, Limited

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual General Meeting of Shareholders of Canadian Car & Foundry Company, Limited, will be held at the Head Office of the Company, No. 621 Craig Street West, Montreal, on Thursday, the 17th day of December, 1936, at twelve o'clock noon, to receive and consider the Annual Statement of the business and affairs of the Company, for the election of Directors, and for the transaction of such other business as may properly come before the Meeting.

By Order of the Board.
A. C. BOURNE,
Secretary.

Montreal, December 8th, 1936.

Chartered Trust and Executor Company

Notice is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending December 31st, 1936, payable January 2, 1937, to shareholders of record at the close of business December 15, 1936.

By Order of the Board.
E. W. McNEILL,
Secretary.

Dated at Toronto,
November 26, 1936.

CANADA PERMANENT MORTGAGE CORPORATION

Quarterly Dividend

Notice is hereby given that a Dividend of TWO PER CENT for the current quarter, being at the rate of

Eight Per Cent Per Annum

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

Saturday, the Second Day of January

next, to Shareholders of record at the close of business on the Fifteenth day of December, 1936.

By order of the Board,
WALTER F. WATKINS,
Secretary.

Toronto, November 18th, 1936.

Notice of Dividend

Sheep Creek Gold Mines, Limited

(Non-Personal Liability)

Notice is hereby given that a Quarterly Dividend of two cents per share has been declared on the paid-up Capital Stock of the Company, payable on the 15th day of January, 1937, to shareholders of record at the close of business on the 31st day of December, 1936.

Persons holding certificates not registered in their name, commonly known as "street" certificates, should have them registered in their name by the Company's transfer agents, Prudential Trust Company Limited, at their office, 614 Pender Street W., Vancouver, B.C., or at their office, 217 Bay Street, Toronto, Ontario, on or before 31st December next.

By Order of the Board.
JAMES ANDERSON,
Secretary.

Vancouver, B.C.,
December 1st, 1936.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 287

EXTRA DIVIDEND NUMBER 33

A regular dividend of 1%, and an extra dividend of 2% making 3% in all, have been declared by the Directors on the Capital Stock of the Company, payable on the 31st day of December, 1936, to shareholders of record at the close of business on the 14th day of December, 1936.

Dated the 4th day of December, 1936.

I. McIVOR,
Assistant-Treasurer.

DIVIDEND NOTICES

BRALORNE MINES

LIMITED

(Non-Personal Liability)

NOTICE is hereby given that a Quarterly Dividend of 10 cents per share, and an extra Dividend of 5 cents per share have been declared on the paid-up capital stock of the Company, payable on the 15th day of January, 1937, to shareholders of record as of December 31st, 1936.

By Order of the Board,
RONALD GRACE,
Secretary-Treasurer.

Vancouver, B.C.,
November 30th, 1936.

BUILDING PRODUCTS LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that a regular dividend of thirty-five cents (35c.) and an extra dividend of fifty cents (50c.) per share has been declared on the outstanding Common shares of the Company for the quarter ending December 31st, 1936, payable January 2nd, 1937, to shareholders of record December 15th, 1936.

By Order of the Board,
R. C. CROOKER,
Secretary-Treasurer.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Dividend No. 36

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share, being at the rate of 6 per cent. per annum, has been declared on the 6 per cent. Cumulative Preferred Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending December 31, 1936, payable January 15, 1937, to shareholders of record at the close of business December 31, 1936.

By Order of the Board,
FRED HUNT,
Secretary.

December 2, 1936.

SUPERTEST Petroleum Corporation Limited

NOTICE OF DIVIDENDS

"B" PREFERRED

A half-yearly dividend at the rate of 6% per annum on the Class "B" Preferred Stock of this Corporation for the half-year ending December 31, 1936, has been declared; payable January 2, 1937, to shareholders on record at the close of business, December 11th, 1936.

COMMON AND ORDINARY SHARES

The Board of Directors has declared a half-yearly dividend of 50c. per share on the Common and Ordinary Stock of this Corporation for the half-year ending December 31, 1936, payable January 2, 1937, to shareholders on record at the close of business December 11th, 1936.

SHARE WARRANTS

Share Warrant holders will present coupons, serial number 34, to the Canadian Bank of Commerce, London, Ontario, and branches in Ontario and Quebec, on and after January 2, 1937, where payment will be made at par.

By Order of the Board,
JAMES D. GOOD,
Secretary-Treasurer.

London, Ontario, December 4, 1936.

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CORPORATION SECURITIES
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TORONTO

Wheat Enquiry Probe Decline in World Trade

From Our Own Correspondent

WINNIPEG.—The early days of the wheat enquiry being conducted by Justice Turgeon made it clear that the investigation is to move in no narrow orbit. Any notion has vanished that it is a matter, of concern only to the wheat trade, of a dispute as to the respective merits of J. R. Murray and John McFarland as wheat salesmen, or an argument between the pools and the rest of the grain trade on past or future policies.

Trade Policy Criticized

The whole theory of Canada's external trade was brought into purview of the Commission in an exhaustive presentation by C. B. Davidson, secretary of the Canadian Wheat Board. Canada's recent attitude toward trade from Continental Europe was under attack from Mr. Davidson, an attack which dealt harshly with Imperial Conference agreements, as well as with other features of Canadian tariff policy.

To a large extent it was Canada's own fault, Mr. Davidson argued, that she had not been selling more wheat to Continental Europe. By refusing to buy from such countries she had made it impossible for them to buy Canadian wheat. Without a major change in policies he maintained it would be impossible to restore the wheat trade to anything like its former level.

Wheat Versus Textile

Moreover, Mr. Davidson was specific in his attack, blaming the textile tariff directly for a large part of the loss of Canada's wheat trade, and the British preference on glass, which has killed a good deal of trade with Belgium, for another substantial loss.

Mr. Davidson's presentation was preceded by a presentation from another Wheat Board official, James McAnsh, statistician to the Board. This placed on record a statistical background of Canadian and world wheat production, consumption and trade for a long period of years, including details as to where Canada had lost wheat markets and Argentina and Australia had gained.

Both Mr. McAnsh and Mr. Davidson were presumably called by the Commission as statistical experts, and not as officials of the Wheat Board. But Mr. Davidson's evidence was to some extent an enlargement of a presentation made to the Parliamentary Wheat Committee in Ottawa this year, by J. R. Murray, chairman of the Canadian Wheat Board.

Trade Crippled

Mr. Davidson's presentation mainly set forth the importance of the Continental wheat market to Canada, the great extent of Canada's losses in the market, and reasons therefor. Some quotations illustrate his thesis.

"The decline in the world demand for wheat since 1930 has occurred mainly in Continental Europe.... The largest decline in Canadian exports occurred in Continental Europe."

"Their (European countries) ability to increase exports was greatly curtailed in 1930 when within three months time their export trade with the greater part of the North American continent was crippled through the enactment of the Hawley-Smoot tariff in the United States and a few months later by the enactment of special tariff legislation in Canada."

"In view of their large unfavorable trade balances, limitation of imports had to be rigorously followed in order to meet the situation caused by their rapidly dwindling exports to Canada, the United States and Australia."

"For every dollar by which the four exporting countries reduced imports from the six large wheat importing countries of Continental Europe between 1929 and 1935, they lost over two dollars in exports to those markets."

"Against purchases of $36 millions Canada expects to sell up to 150 million bushels of wheat in Continental Europe, in fact Canada must sell that amount of wheat in Continental Europe to successfully dispose of an average yield on present acreage."

Trade Restrictions Hit Wheat

The textile industry of Eastern Canada may have supposed that the attention of Justice Turgeon was to be diverted, temporarily at least, away from textiles when he left the textile enquiry to begin looking into wheat. But it was brought back by some of Mr. Davidson's statements, including the following:

"Canada's trade with the United Kingdom, Continental Europe and the Orient rests primarily upon the exchange of wheat for textile products. When Canada commenced to restrict the importation of textiles she touched the most sensitive factor in our trade relations with importing countries ....(by restrictions) almost prohibitive in character Canada destroyed the basis of her trade with wheat importing countries."

Criticizes Empire Agreements

A general tariff theory and effects of empire agreements were expressed as follows:

"When the protection of the secondary industries of a country is carried to the point where fair competition is eliminated, the disruption of the export markets for the products of its primary industry inevitably follows."

"In the extension of the principle of Empire preference in recent years, Canada has injured established trade with other countries to which she must sell wheat ....Efforts to bring within the structure of Empire trade, trade which has been established over a long period of years with countries outside the British Empire can only have unfortunate consequences."

Economists More Confident

Moderate optimism as to the future of foreign trade in general and Canada's wheat trade in particular marked presentations by economic experts of the University of Manitoba. Currency equalization was regarded as an essential prelude to improvement, and hopes were held out that the measures recently taken between the United Kingdom, the United States and France would have important effects. The doctrine was laid down that trade treaties should include "most-favored nation" clauses, in order that the fullest possible benefit might be felt by international trade.

The Commission had submitted to the Department of Economics of the University of Manitoba a series of questions which were answered by Professor Robert McQueen, and his assistants, J. S. M. Allely and Professor H. C. Grant.

Government measures taken since 1929 in various countries to restrict trade, said Prof. McQueen, were not to be interpreted as a desire for self-sufficiency but as attempts to insulate themselves from a world depression, although such attempts had been carried to such extremes as to become new and secondary causes of depression. The desire for greater internal stability manifested in former gold standard countries although at first sight seeming to be purchased at a cost of some stricture on international trade, may, if it is part of a larger scheme for the control of world depression, have favorable rather than unfavorable effects on international trade.

Vital Interest in Trade

There is no country more interested in the revival of international trade than Canada, because of the problem of paying off her external debt. The tendency toward bilateralism, now manifested in the world, it was argued, is an obstacle to that development. But bilateralism has developed, not primarily out of hostility to international trade, but in an attempt to attain internal stability, in various countries, through exchange control.

Need Workable Money

Mr. Allely replied to the question: "What are the possible developments in world monetary affairs, and how are these developments likely to affect the extent and character of future world trade?" Freeing of trade, he replied, depends upon the development of a workable monetary mechanism. That such a mechanism was now in sight seemed probable from the recent currency agreement between Great Britain, the United States and France.

Under recent conditions of competitive currency depreciation, he argued, various countries have been afraid to re-enter international trade on an extensive scale. But if safeguards, which are quite possible, are secured, we can expect a willingness of governments to abandon the degree of self-sufficiency achieved during the depression, and re-enter international trade, by lowering tariffs.

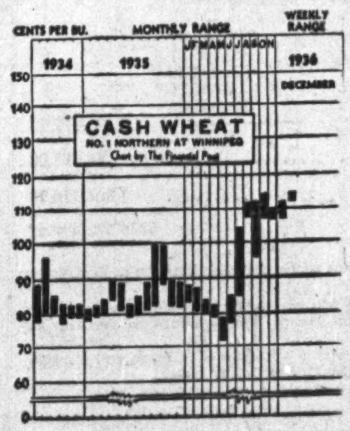
See Less Wheat in Europe

The economists were brought back to wheat by Professor Grant's reply to the question: "What have been and may be the developments of agricultural protectionism in Europe and their effects upon the Canadian trade in wheat?" Because European wheat tariffs, wheat protection, and wheat production had been carried to uneconomic lengths, some recession was seen as reasonably probable.

"A significant contraction of acreage in Canada is hardly possible," he said. "In Argentina and Australia it is more feasible because of the narrow margin of indifference in some areas between wheat and livestock production." The real hope for Canada lies in the contraction of European wheat acreage. Expansion, which has taken place in an effort to adjust these countries to depression conditions, should tend to disappear as domestic and international trade tends to revive.

While nothing approaching controversy has yet developed at the commission, some conflict of tendency, at least, is to be detected between the evidence of Mr. Davidson, secretary of the Wheat Board, and the professional economists. The latter urged recognition of the present tendency toward bilateralism in international trade, by a deliberate attempt to deal directly with wheat importing countries of Continental Europe. The former looked rather to the general re-establishment of international trade, and deplored excessive bilateralism. When Mr. Davidson had flatly laid the blame on Canada for decline of her trade with some European countries, the economists stressed the larger world forces connected with exchange difficulties. Justice Turgeon pointed out that the high value of French currency in recent years had curtailed French textile exports to Canada.

Wheat Prices



(Cash Quotations)

	For Week Dec. 8 High	For Week Dec. 8 Low	Prev. Week High	Prev. Week Low
1 Man. Hard ...	1.14⅝	1.12⅞	1.12	1.08½
1 Northern	1.14⅝	1.12⅝	1.11½	1.08
2 Northern	1.10⅞	1.10⅛	1.09½	1.07
3 Northern	1.07⅞	1.06⅝	1.06	1.03¾
4 Northern	1.05⅜	1.04⅛	1.03½	1.00
5 Wheat	1.00⅜	.99⅛	.98⅛	.95
6 Wheat	.96⅛	.95⅛	.94½	.91⅛
Feed Wheat	.83⅜	.79⅛	.78½	.75
Vancouver: Week to Dec. 5:				
1 Northern	1.14½	1.12⅝	1.10⅝	1.06⅞

Competitive Export Prices:
Dec. shipment.

Week to Dec. 4	High	Low
No. 1 North. (Vanc.) ...	1.37⅜	1.32⅝
No. 2 North. (Atlan.) ...	1.36¾	1.31½
No. 2 North. (Vanc.) ...	unquoted	
Danubian	unquoted	
Australian (afloat)	1.34⅜	1.28⅝
Australian	1.29⅜	1.26⅜
Argentine Rosafe†	1.14	1.11¾
Indian (choice Karachi).	1.28⅝	1.24

†Jan.-Feb.

Winnipeg Grain Futures

Week to Dec. 8, 1936

Crop year from Aug. 1, 1936 High	Low		Open Dec. 2	High for week	Low for week	Close Dec. 8
		Wheat				
1.13⅝	.93½	Dec.	1.11⅞	1.13⅝	1.10	1.12⅝
1.15¼	1.06⅝	May	1.13	1.15¼	1.11¼	1.14⅛
1.12⅞	1.03¾	July	1.12	1.12⅞	1.09½	1.11⅞
		Oats				
.49⅛	.41¼	Dec.	.45⅞	.49⅛	.45¼	.48⅝
.48¾	.42¼	May	.46⅛	.48¾	.45⅝	.48⅜
.47½	.43⅜	July	.45⅛	.47½	.44⅜	.47
		Barley				
.67⅞	.50¼	Dec.	.64⅝	.67⅞	.64¼	.67¾
.65⅛	.50⅞	May	.62⅞	.65⅛	.62⅝	.64⅝
.63⅛	.56¾	July	.61½	.63⅛	.61	.62⅜
		Flax				
1.88	1.56	Dec.	1.61	1.65¾	1.59½	1.63
1.75¾	1.60½	May	1.65	1.68	1.63½	1.65½
1.67	1.62¼	July	1.65	1.67	1.63¼	1.65½
		Rye				
.86⅝	.61¾	Dec.	.81½	.86⅝	.80½	.85⅞
.87⅝	.62⅝	May	.81½	.87⅝	.79⅝	.86⅝
.88⅜	.70⅜	July	.79⅛	.88⅜	.79⅜	.84⅝

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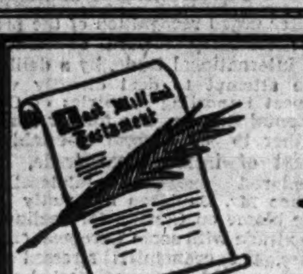

Your Will and Your Estate

Can You Rely on Your Executor?

More complex, and fraught with more risk than any legal or other aspect of making a will, are the considerations involved in naming an executor, co-executors or trustee. It is the executor who will be either a weak human link in giving effect to the terms of a will or the greatest safeguard for the interests of heirs and dependents.

The ideal executor therefore is a combination of lawyer, judge, business expert, friend of the family, guardian, banker and a dozen other qualities rarely found in their entirety in a single individual. Any executor must, primarily, be a person in whom the maker of the will reposes complete trust; he must be of an age where he can reasonably be expected to outlive the testator; he must have sound business judgment; he must be sufficiently familiar with the legal aspect of wills and estates to satisfy the court he is fulfilling his functions as an executor, and his decisions in many cases determine the difference between an increase in the value of estate assets or their dissipation through unsound business and investment practices

Elements of Risk

The small estate, passing to the widow, son or other near relative, in simplified form presents no great difficulty when the question of an executor arises. Where assets, for example, consist of cash, a few securities, house and personal effects, it is not unusual to name the widow sole beneficiary and executrix. Even in these circumstances there is an element of risk, however, since relatively few women whose lives are spent in home making and in the care of a family are sufficiently acquainted with business, investment and legal aspects of estate administration to act in an executor capacity.

Today, private executors are chosen chiefly because of their personal qualifications for the duty. Because of the legal as well as financial judgment required, members of the legal profession are consequently sought by many testators as their executors, particularly as a large legal firm is likely to continue from generation to generation. The choice is sound, particularly where involved legal questions are likely to arise over a period of years, and the man or woman who entrusts an estate to competent legal and financial administration frequently avoids costly legal and other charges arising from a confused or haphazard settlement of the estate after death.

Appointment of private executors, whether professional men or otherwise, was once the common practice. A relative, friend, trusted business associate or some prominent man in the community would be named, often without considering the possibility of the intended executor dying before the testator, or without considering other limitations to which individuals are subject.

Trust Companies

The trend in recent years is toward trust company executorship or toward the appointment of co-executors, as a means of eliminating the risks attaching to the appointment of a single executor. The latter may die, or because of advancing years may lose his mental alertness, become financially involved, or his efficiency, judgment and responsibility otherwise impaired. Financial irresponsibility alone is a rock on which an estate can be wrecked and it is not unusual to read of betrayals of trust on the part of private executors who have violated the trust reposed in them.

The fallacy that a trust company is expensive is a common one based on the widely-held assumption that all "big business" is ruthlessly seeking its own advantage to the exclusion of other factors.

The fact is that a trust company does not receive any more remuneration than the private executor. Its fees, set by law, are exactly the same, but it gives vastly more in return than is possible in the case of any private executor.

A private executor may die; the trust company's estates department continues year after year in a continuous and unbroken chain of administration. The private executor may be a trusted friend but lacking entirely in the business judgment needed to conserve and enhance the value of estate assets; the trust company has a wealth of highly experienced, technical, legal and business experience to draw upon.

But the most frequently heard objection to trust company executorship or administration of an estate is that such a company adopts an "impersonal" attitude toward beneficiaries, but the fact is that a trust company has as much elasticity in its administration as the law allows the private executor.

In every important trust company are highly-trained men handling estates and who are in constant personal communication with beneficiaries. The affairs of the latter are known to them, and the trust company estate experts deal with estate problems in the same way as any other executor; in the best interests of those concerned.

If, for example, a stated income is named in a will, it is most unlikely that it will be advanced six months ahead to a young heir who feels that a new automobile is an urgent necessity, but it is quite probable that if the same heir, through adverse business developments, finds himself unable to meet the costs of shelter, clothing and food for his family, some means will be found by the trust company to alleviate his position even if the estate's assets are temporarily "frozen." That courts recognize the responsible position occupied by trust companies has a good deal to do with the fact that discretion is frequently possible to a trust company where it could not be exercised safely by private executors. The "impersonal" attitude does not mean an unsympathetic attitude, but it can be conveniently adopted when necessary, and it is often necessary when heirs seek funds for "investment" in highly dubious business enterprises, or for purposes which experienced business judgment can immediately classify as unsound.

Case of Co-executors

Co-executors may be chosen in several combinations of circumstances. A typical instance is the man who names a trust company as executor and also names a trusted friend or relative to consult with the company in an advisory capacity. A widow may be named co-executor with a trust company, and in doing so the testator assures the widow of competent financial, legal and other advice regarding the estate in which she is also a beneficiary.

Chief objections to appointment of co-executors are that through absence or illness of one or more private co-executors the business of an estate may be delayed or tied up at a critical moment; that one co-executor may block constructive policies of the majority, and that except where acting in an advisory capacity, a co-executor may impose his views on more experienced executors by a refusal to yield his own views on a matter of estate business, to the detriment of the estate.

An Ontario woman who died some years ago named three sons of varying ages as executors of her estate. On the death of one the remaining two acted as executors, but as the survivors reached more advanced ages, they wisely named a trust company as their successors in anticipation of their own deaths.

In another case, an estate containing assets of a highly complex nature was left with the proviso that a brother was to act as executor. He was fully occupied with his own business affairs, realized that he could not possibly devote the time and effort to untangling the affairs of his late brother, and turned the whole estate over to trust company management. He saved money for the estate, however, since the management fees were more than offset by savings effected in the estate's administration under competent business management.

Executor is Responsible

When the accounts of an estate are submitted to the court for examination, the executor must account for his stewardship. He is allowed fees for the task, and although he is permitted to use reasonable judgment and discretion, the court nevertheless holds him strictly accountable for the estate and its assets. Thus, while acting in good faith, the private executor who lacks the necessary experience and judgment and who unintentionally causes loss to an estate, is held personally responsible under the law. He may have to make good any deficiencies from his own resources. Hence the appointment of a lawyer, or other well-qualified executor, or a trust company, acts as an important safeguard to any estate and its assets.

The whole field of executorship presents problems diverse and complex. To name an executor consequently means more than merely selecting someone who can be relied upon to act in good faith and with good judgment. There must also be financial responsibility and knowledge with which to meet unusual conditions as they arise. If these qualities are lacking, both the executor and the beneficiaries can suffer financial loss. The most efficient and reliable safeguard developed to date is the trust company, acting either alone or with private, well-qualified co-executors, or with individuals acting in an advisory capacity and who are intimately acquainted with the personal affairs of beneficiaries.

42 YEARS SERVICE

J. F. Maine who is retiring from London Life as agency executive after 42 years service with the company. Twenty-six years ago Mr. Maine became superintendent of industrial agencies for the company having joined the company as an industrial agent at Chatham in 1894. In 1935 he was appointed agency executive. For the past three years he has been chairman of the industrial section of the American Life Convention.

Mr. Maine was recently tendered a complimentary dinner by the directors, officers and department heads of the company.

Japanese Plan Plant in B. C.

Tokio Electrical Firm to Invade Manufacturing Field in Vancouver

From Our Own Correspondent

VANCOUVER.—An industrial development that may have far-reaching international significance was foreshadowed when Hayashi Isobe, general manager of Fuso Electrical Manufacturing Company, of Tokio, Japan, announced here that he was looking for a site for a $250,000 plant for the manufacture of electric light bulbs.

Establishment of such a factory, which Mr. Isobe said would be financed jointly by Canadian and Japanese capital, will mark the first direct invasion of the Canadian manufacturing field by Japanese interests. Mr. Isobe admitted that the move was an effort to escape strong tariff bars erected by Canada against foreign electrical goods.

Operation Next Spring

The proposed plant, which, it is planned, will operate by next spring, will have a capacity of 20,000 lamps a day. Some of the manufactured parts will be brought from Japan for assembly, but about 50% of the fabrication will be done in Vancouver. Special automatic machines used in manufacture will be brought from Japan.

Fuso Electrical Manufacturing Company has been exporting goods to Canada for five years and has litigation pending in the Exchequer Court seeking a declaration that its lamps are not an infringement on patents held by Canadian General Electric Company. Mr. Isobe claims the Fuso lamps are fabricated under Canadian and world patents held by his company.

The Japanese company has been a party to the litigation to test its right to manufacture in Canada and sell its products in competition with Canadian and American lamps.

Quebec Central Railway To Run Taxicab Service

From Our Own Correspondent

MONTREAL. — Quebec Public Service Commission has granted permission to the Quebec Central Railway, controlled by Canadian Pacific Railway, to transport passengers and mail by taxicabs between St. Georges de Beauce and Lac Frontiere. Train service between the two points has been discontinued.

Will your estate be settled by a trained executor
or by an amateur?

THE administration of estates is a specialized business. Trust Companies are specialists. They are permanent and are never away nor ill when needed. They are financially responsible and possess the clerical facilities and organization necessary for the economical handling of the work.

On the other hand, there are few individuals capable of fulfilling the task, and it is true that an inexperienced executor may cost an estate large sums by reason of errors in judgment, delays and losses.

The Royal Trust Company has settled a great number of estates, many of them large and complicated. Such experience ought to be valuable to you and to your heirs.

Write for booklets on this subject.

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THE GOVERNMENT OF THE PROVINCE OF BRITISH COLUMBIA

BALANCE-SHEET AS AT 31st MARCH, 1936

ASSETS

INVESTMENT FOR REDEMPTION OF BRITISH COLUMBIA STOCK AND DEBENTURES (SCHEDULE "A")			$ 31,058,958.10
BUILDINGS AND FURNISHINGS		$ 17,573,797.70	
HIGHWAYS		67,899,490.40	
BRIDGES (LESS DEPRECIATION)		7,564,868.47	
WHARVES (LESS DEPRECIATION)		122,537.00	
FERRIES AND FERRY LANDINGS (LESS DEPRECIATION)		256,491.68	
			93,417,185.25
PROJECTS, LOANS, AND ADVANCES:			
Dyking Districts:			
"Dyking Assessments Adjustment Act, 1905" (less Sinking Funds)	$ 601,648.71		
"Dewdney Dyking District Relief Act, 1929" (less Sinking Funds)	68,474.29		
		$ 670,123.00	
Pacific Great Eastern Railway Company:			
Advances	55,010,809.58		
Deferred charge re Guaranteed Stock and Bonds now set up as a direct liability	20,160,000.00		
		75,170,809.58	
Properties acquired under "Soldiers' Land Act, 1918":			
South Vancouver	$ 16,165.71		
South Okanagan	3,006,545.70		
		3,022,711.41	
Former Indian Reservations acquired:			
Kitsilano Reserve, Vancouver	$ 300,000.00		
Songhees Reserve, Victoria	773,690.08		
		1,073,690.08	
Agricultural Associations (less Sinking Funds)		30,408.76	
"Better Housing Act, 1919"		818,019.78	
"City of Port Coquitlam Aid Act, 1925"		9,450.00	
Conservation Fund		1,550,322.01	
Crown Property Development Account		20,000.00	
Departments		64,755.23	
Equipment Fund		2,070,000.00	
Industrial Development Fund		295,000.00	
King's Printer Operating Account		151,448.67	
Land Settlement Board		5,169,768.83	
Text-book Branch Operating Account		67,445.90	
University Endowment Lands Administration Account		2,184,937.34	
Forest Protection Fund		188,262.72	
Scaling Fund		20,429.54	
Advances to Municipalities (Unemployment Relief):			
Municipal Works—Municipal Share	$ 416,342.76		
Municipal Direct Relief—Municipal Share	1,048,461.29		
		1,464,804.05	
			94,042,386.90
CASH:			
In Treasury		$ 265.55	
" Banks		9,412,501.35	
" Hands of Government Agents and Collectors		1,057,938.01	
			10,470,704.91
INVESTMENTS:			
Superannuation Funds		$ 6,360,743.47	
Teachers' Pensions Fund		819,423.35	
			7,180,166.82
ACCOUNTS RECEIVABLE:			
Assessed Taxes (less Reserve)		$ 4,719,858.31	
Grazing Fees (less Reserve)		33,571.79	
Probate and Succession Duties (less Reserve)		215,565.00	
Timber Royalty and Stumpage (less Reserve)		526,738.27	
Land Sales—Principal Outstanding (less Reserve)		465,658.28	
Provincial Municipalities		18,028.30	
Sundry Debtors		213,597.81	
			6,193,017.76
CAPITAL STOCK OF THE CANADIAN FARM LOAN BOARD			68,891.00
TRUST ACCOUNT (CONTRA):			
Cash in Banks and Investments at Cost			1,806,176.78
			$244,232,487.52

I certify that the foregoing Balance-sheet is in agreement with the books of the Government of the Province of British Columbia as at 31 March, 1936.

Investment for Redemption of B.C. Stock and Debentures.—Deposits for the fiscal year to the credit of the Minister of Finance as Trustee for the Sinking Funds were in arrears at 31st March, 1936, to the extent of $2,359,987.75. The aggregate arrears to 31st March, 1936, amount to the sum of $8,391,405.25.

Highways.—This account represents replacement value of Highways as at 31st March, 1926, in accordance with a schedule of mileage and classification certified by the Public Works Engineer, to which has been added, in subsequent years, the capital expenditure out of Loans.

Pacific Great Eastern Railway Co.—This asset is carried at book value, as the ultimate realizable value cannot be determined at this date.

In accordance with the terms of the "Pacific Great Eastern Construction Loan Act, 1928," the operating deficit of the Railway has been met by advances charged to the said Loan.

"Dyking Assessments Adjustment Act, 1905," and "Dewdney Dyking District Relief Act, 1929."—The amounts due from the districts are included at book value. The ultimate realizable value cannot be determined at this date.

Equipment Fund.—The deficiency in the Fund at 31st March, 1936, was $1,217,552.33, largely due to the employment, during the past four fiscal years, of Equipment Fund units on maintenance-work, free of rental charges.

Land Settlement Board (except Sumas Development).—These advances are included at book value, as the realizable value of unsold land and balances due to the Board cannot, at the present time, be determined.

University Endowment Lands Administration Account.—The amount which may be recovered out of these advances cannot be determined at this date.

Investments—Superannuation and Teachers' Pensions Funds.—These securities are now treated as the property of the Crown pursuant to legal opinion of the Attorney-General dated 4th March, 1935.

Surplus Account.—(See page xiii.). The sum of $7,647,623.16 appropriated under the authority of the following Loan Acts for Unemployment Relief, and transferred to Unemployment Relief Fund pursuant to section 2 of the "Unemployment Relief Fund Act, 1934," has been written off:—

"B.C. Loan Act, 1933," sec. 6	$2,250,000.00
"Unemployment Relief Act, 1933"	5,397,623.16
	$7,647,623.16

Victoria, B.C.,
30th September, 1936.

J. A. CRAIG, C.A.,
Comptroller-General.

LIABILITIES

BRITISH COLUMBIA STOCK AND DEBENTURES (SCHEDULE "B")		$124,238,236.00	
MORTGAGE ON BRITISH COLUMBIA BUILDING, LONDON:			
Maturing in Quarterly Instalments to 24th June, 1945		89,725.00	
TEMPORARY LOANS:			
Treasury Bills:			
Canadian Bank of Commerce	$ 5,940,906.48		
Dominion Government	27,572,680.10		
		33,513,586.58	
			$157,841,547.58
PACIFIC GREAT EASTERN RAILWAY GUARANTEED STOCK AND BONDS:			
Due 15th July, 1942			20,160,000.00
			$178,001,547.58
ACCOUNTS PAYABLE:			
Appropriation Accounts		$ 4,349,162.13	
Other Accounts		110,826.01	
Interest Accrued on Public Debt		1,952,986.03	
French's Complex Ore Reduction Co., Ltd., Debenture		40,000.00	
Liquor Control Board		63,518.86	
			6,516,493.03
MONEY DEPOSITS:			
Intestate Estate Deposits		$ 618,625.98	
Suitors' Funds Deposits		111,687.72	
Surplus Moneys from Tax Sale Deposits		2,195.06	
Official Guardian Deposits		41,717.83	
Rural District School Tax Deposits		5,862.31	
Contractors' Deposits		3,645.00	
			783,733.90
SPECIAL FUNDS:			
Conservation Fund		$ 96,835.94	
Crown Property Development Account		14,306.51	
Equipment Fund		386,742.81	
Fire Marshal Act Fund		3,318.47	
Forest Reserve Account		71,981.72	
Industrial Development Fund		19,414.91	
Superannuation Fund:			
Civil Service		5,339,631.25	
Municipalities and School Boards		2,878,645.81	
Teachers' Pensions Fund		1,439,970.18	
Unemployment Relief Fund		567,126.52	
University Endowment Lands Administration Account		243,990.18	
Bequests and Other Special Funds		38,643.11	
			11,100,607.41
DEFERRED CREDITS TO REVENUE:			
Interest and Discount on Sundry Loans to P.G.E. Rly. Co.			19,055,495.13
RESERVE FOR DEPRECIATION:			
Provincial Buildings and Furnishings			3,634,880.51
RESERVE FOR LOSSES AND CONTINGENCIES:			
Southern Okanagan Project		$ 2,850,000.00	
Land Settlement Board (re Sumas Development)		3,500,000.00	
Loans to Agricultural Associations		30,000.00	
Grants to Returned Soldiers under "Better Housing Act"		126,300.00	
Industrial Development Fund		125,000.00	
Houses, South Vancouver		8,000.00	
			6,639,300.00
TRUST ACCOUNTS (CONTRA):			
Sundry Accounts (Schedule "C")			1,806,176.78
SURPLUS			16,694,253.18
			$244,232,487.52

NOTE.—In addition to direct liabilities of the Province, the following securities as to both principal and interest have been guaranteed by the Province:—

Guarantees	Authorized	Issued
(1.) Canadian Northern Pacific Railway Co. (due 2nd April, 1950)	$47,975,000.00	$40,157,523.90
*(2.) Pacific Great Eastern Railway Co. (due 15th July, 1942)	*	*
(3.) Vancouver and Districts Joint Sewerage and Drainage Board (due 1954-1971)	7,033,333.33	7,033,333.33
(4.) Agricultural Credit Commission (due 1st May, 1941)	1,000,000.00	1,000,000.00
(5.) West Nicomen Dyking District (due 1st May, 1953)	90,000.00	87,000.00
	$56,098,333.33	$48,277,857.23
(6.) Guarantees authorized pursuant to sec. 6, "Department of Industries Act, 1919"		$ 38,141.00

(1.) Certain mortgages covering C.N.P. Railway lines and properties within the Province were granted to Trustees to secure payment of the securities issued thereunder; such lines and properties are now part of the Canadian National Railways which are controlled by the Dominion Government.

(3.), (4.), (5.) Sinking Funds have been established in connection with these guaranteed securities.

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*Now set up in the Balance-sheet as a direct liability.

Bank Chat

Improvement Loans

AS ANNOUNCED last week from Ottawa, early experience in the home improvement loan programme closely mirrors that of the United States venture. In the first two weeks some 865 loans were made totalling $325,000. In the States it was found that a rather dubious reception greeted the plan, and it was not until spring that volume developed. The average amount of the loans made in Canada, $376, bears striking resemblance to the American average of $364.

With the Employment Commission's publicity now under way, and a more general realization by the public of what the scheme is all about, it is possible loans may increase slightly. But bankers hold to the view that only spring will turn the thoughts of home owners to repair work.

• • •

Plan Revised

MEANWHILE, the plan is being revamped to aid the contractor, who is recognized as the key man in the project, to complete contracts. Instructions are being sent out from head offices of the banks that henceforth applicants need not appear in person.

New forms have been distributed to the branches which the contractor may take to a prospective customer, and, having sold him on the idea of an improvement, have him sign. These applications will then be returned to the bank by the contractor, along with any necessary information in respect to credit standing. If approved, the contractor will undertake the job. When completed the home owner will certify that the job has been done satisfactorily, and, presto, the contractor is paid.

In this way, not only is possible sales resistance to the plan broken down, but there is also the assurance that the loan will be used only for the purpose for which it was made.

• • •

Share Bonus

ANNOUNCEMENT of a bonus by the Montreal City & District Savings Bank last week once again calls attention to the steady earnings record of this old-established institution. It may not be generally known that back in 1846 the bank was established on a co-operative basis and that it continued as such for a quarter of a century.

With abolishment of the mutual co-operative system by the federal authorities in 1871, the bank lost its co-operative structure and obtained Dominion incorporation with authorized capital of $2 millions.

The bank operates purely as a savings institution, receiving deposits subject to chequing privileges, making loans on approved securities, issuing letters of credit, and so on. It does not make commercial loans in the ordinary sense of the word.

It is certainly the only bank in the Dominion, and probably the only financial institution of any size, which has succeeded in increasing its actual dividend rate during the depression. From 1919 to 1927, it paid $10 a share, this rate being increased to its present rate of $12 in 1928. However, since 1930 a $2 bonus has been paid each year in addition to the nominal rate, bringing the actual distribution to $14 a share.

• • •

Automobile Lending

IN CANADA, automobile loans have always been regarded as somewhat hazardous business. Despite the fact that a number of legitimate loan companies are engaged in this type of lending, it has come to be associated, rightly or wrongly, with loan shark organizations.

In the United States, however, this business is being taken up more and more by the banks. Forced by lack of remunerative regular loan business to look for other sources of revenue, the American banks rather gingerly approached the automobile field. The results have been most surprising.

A recent survey in the Mid-western States, to which 200 banks contributed, shows that the banks are unanimously of the opinion that automobile financing is "desirable" business. All but three wanted to get more of them.

Repossession was the bogey of which bankers had been warned, but experience has shown that there has been only one repossession in 219 loans. It is said that the average banker can lend $1 million in small units of $300 each, with automobile collateral, and expect a total repossession loss of only $127.22.

Desilets Named Director Of Banque Canadienne

From Our Own Correspondent

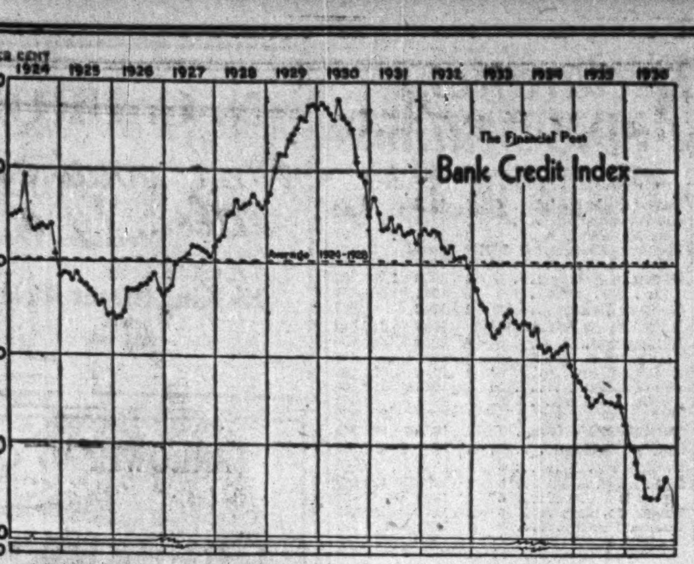
MONTREAL. — August Desilets, K.C. of Grand'Mère, has been elected a director of the Banque Canadienne Nationale, succeeding Sir Thomas Chapais, who resigned when he accepted a post in the Duplessis Government.

Montreal Savings Bank Declares Bonus Payment

In addition to the regular quarterly dividend of $3 a share, the Montreal City & District Savings Bank has declared a bonus payment of $1 a share, both payable Jan. 2, 1937, to shareholders of record Dec. 15, 1936. With these payments, distributions made to shareholders for the 1936 fiscal year will amount to $14 a share.

B. C. Electric Output

British Columbia's production of central electric stations from Jan. 1 to Oct. 31 was slightly under a billion and a half killowatt hours. The year's output to date is 1,408,112,000 kw.h. against 1,257,370,000 kw.h. last year.



SIGNS OF LIFE

This fall, bank credit in Canada has registered the most impressive comeback since the advent of depression.

As measured by The Financial Post credit index, which is merely the ratio of call and current loans in Canada to Canadian public deposits, successive, if small, gains were recorded in August, September and October. The index stood at 37.5 at the end of October, compared with the all-time low of 35 in July. This gain is the largest since the index began its toboggan slide early in 1930.

In part the increase is attributable to seasonal influences, particularly grain financing, but improving business, heightened activity on security markets and increasing commodity prices have also contributed their share.

Sees Increase In Loan Size

New Enterprises Should Offset Effect of Production Changes

The opinion that commercial bank loans would tend to increase in the future, despite lessened requirements of individual borrowers, was expressed by W. A. Bog, speaking as general manager at the Bank of Montreal annual meeting this week.

Mr. Bog pointed out that while improvements in production technique may have a permanent influence in reducing the demand for commercial borrowings, improving business, rising prices and new enterprises would tend in the other direction.

Evolution of Production

"A number of factors have contributed to the reduced need for bank credit," he said. "The speeding up of production processes and increased and swifter transportation facilities have been instrumental in reducing the size of inventories of both raw materials and finished goods carried by business enterprises, thus lessening the working capital necessary to finance operations. Another factor has been that business corporations have been able to obtain their requirements by means of public financing encouraged by the prevailing low level of interest rates. These steps have lessened the necessity for borrowing from banks.

"Furthermore, the concentration of business into large companies has, in many instances, enabled the various components of these corporations to arrange their financing through the parent organizations, which generally have been well provided with cash resources.

"Another development has been the tendency for manufacturers to sell direct to retailers and so eliminate, to a large extent, the services of wholesalers, who were once important borrowers from banks. With a world-wide declining price level, the funds required to finance a given physical volume of goods or commodities have been appreciably reduced and, accordingly, there has been a corresponding decline in the demand for bank credit.

Buoyant Factors

"In view of the various factors that affect the situation, it is not possible to forecast the future trend in the demand for bank loans. While the decrease attributable to changes in production technique may be permanent, this cannot be said with regard to many other factors entering into the situation. As the volume of business activity increases, companies will doubtless find it necessary to utilize existing liquid resources in plant or other capital expansion and, as such resources are thus utilized, recourse will again be had to bank borrowings for inventory and other current requirements.

"Extensive capital expansion normally has the tendency to stiffen money rates, and short-term borrowing from banks for working capital purposes will be relatively cheaper than obtaining funds through the issue of securities, especially if the requirements of the borrower are of a seasonal nature. The upward movement in the level of prices will also tend to increase the demand for bank borrowings and firm up interest rates.

"Even if the future should reveal that well-established companies individually will require less bank credit than in the past, a return of confidence should foster new enterprises and there should be a tendency for the demand for commercial loans to increase in the aggregate."

Staff Changes

The Bank of Toronto has announced the following changes in staff:

F. MOUNT, formerly of head office inspection staff, to be manager at Paris, Ont.

J. S. McMILLAN, formerly manager at Paris, Ont., to be manager at Waterloo, Ont.

J. B. SIMPSON, formerly manager at Compeer, Alta. to be manager at Smiley, Sask.

J. SOUTER, formerly of western department, Winnipeg, to be manager at Sherbrooke & Westminster, Winnipeg.

W. W. WRIGHT, formerly manager at Sherbrooke & Westminster, Winnipeg, to be manager at Portage Ave., Winnipeg.

E. FLETCHER, formerly manager at Portage Ave., Winnipeg, has retired on pension.

The Bank of Montreal has made the following changes in staff:

L J BERNARD, formerly manager at St. Cesaire, to be manager at Chicoutimi.

J N P LORRAIN, formerly manager at Chicoutimi, to be manager at Three Rivers.

J. A. BOISJOLI, formerly manager at Three Rivers, to be manager at St. Roch, Que.

A. F. WATSON, formerly secretary to the superintendent, Winnipeg, to be manager at Logan Ave., Winnipeg.

The Royal Bank has announced the following appointments:

C. W KETCHESON, to be manager at Cabri, Sask.

A. F. McALPINE, formerly manager at Brantford, to be manager at Saint John, N.B.

A. J SMITH, formerly at head office, to be manager at Campbellton, N.B.

The Provincial Bank of Canada has made the following changes in staff:

J. L. BOULANGER, formerly manager at Rideau, Ottawa, to be manager at St. Peter St., Quebec. He replaces J. A. FOSTER, who recently was appointed assistant treasurer of Quebec Province.

J. T. GUERIN, formerly assistant manager at Montreal branch, to be manager at Rideau, Ottawa.

Weekly Bank Clearings

	Dec. 3 1936 $	Change year ago %	Nov. 26 1936 $
Halifax	2,804,499	+6.3	2,388,555
Saint John	1,984,355	+5.6	1,965,688
Moncton	809,789	+0.4	851,110
Sherbrooke	672,192	—6.2	571,875
Quebec	7,097,223	+19.0	5,082,946
Montreal	134,344,683	+0.7	121,804,776
Ottawa	27,028,342	+9.4	34,847,051
Kingston	619,316	+2.6	540,186
Peterborough	643,918	—1.4	596,952
Toronto	166,966,856	+10.8	148,547,797
Hamilton	5,560,093	+17.9	4,966,265
Kitchener	1,183,174	+2.8	1,059,710
Brantford	962,785	—1.2	848,390
London	3,104,736	—7.9	2,630,079
Chatham	670,712	+16.2	694,742
Windsor	3,331,423	+33.8	2,983,504
Sarnia	540,100	+10.5	532,184
Sudbury	1,052,753	+24.2	1,015,799
Fort William	878,085	+26.5	809,051
Winnipeg	49,050,851	—22.4	45,675,251
Brandon	349,145	—0.8	279,634
Regina	4,347,643	+2.2	3,708,490
Moose Jaw	702,809	+1.0	648,502
Saskatoon	1,629,748	—10.8	1,515,968
Prince Albert	377,482	+5.7	333,979
Edmonton	4,419,761	—3.1	3,479,750
Calgary	5,889,618	+12.3	5,976,782
Medicine Hat	253,032	—19.4	226,584
Lethbridge	478,305	—21.2	434,071
N. W'minster	638,787	+11.0	616,613
Vancouver	21,825,685	+23.8	19,988,191
Victoria	1,903,411	—0.7	1,611,911

Canada's Steel Industries

Preliminary figures on iron and steel industries in Canada during 1935 show a production of $388,542,774, the highest reported for this group since 1930 when the total was $569,745,973. Cost of materials used in manufacturing processes was $203,061,352.

Current Loans Advance In October Statement

Seasonal Trend in Grain Financing a Big Factor in Rising Bank Loans — Credit Index Higher for Third Successive Month

A substantial increase in loans and deposits and some reduction in investment holdings featured operations of the Canadian chartered banks in October.

Influenced by seasonal factors, particularly by grain financing, current loans of the 10 banks as shown in the combined monthly return to the minister of finance at Ottawa, advanced $20 millions during the month. This adds to the $45 millions increase in the previous month and brings the total to $707.8 millions, the highest since last April.

While an advance in commercial loans is customary at this time of year, the upswing this fall has been much more pronounced than the $8 and $16 millions increase in September and October a year ago. Bankers state that not all of the increase arises from grain financing. A part represents industrial demand. Encouraging from the bankers' standpoint is the fact that the increase in loans was fairly well maintained in November, despite some liquidation of grain advances.

Investments Lower

For the first time in some months there was a substantial decline in investment holdings coupled with the loan increase. Led by reduction in Dominion Government issues, the decrease in October was the largest of any month in the last two or three years. There was a marked flow of funds from long to short-term securities, Government longs dropping $78 millions and shorts rising about $68 millions.

About two thirds of the increase in deposits was in non-interest-bearing accounts, the remaining $9 millions being added to savings balances.

As a result of the month's developments, The Financial Post credit index, based on the ratio of call and current loans in Canada to Canadian public deposits rose for the third successive month, this time to 37.5%, which is the highest point since March. The more important items affecting the credit situation in Canada compare as follows:

Use of Bank Credit in Canada
(In Millions of Dollars)

	Oct. 31 1936	Sept. 30 1936	Change	Oct. 31 1935	Change
Loans	924.6	911.9	+12.7	1,055.3	—130.7
Investments	1,363.2	1,379.5	—16.3	1,115.9	+247.3
Total	2,287.8	2,291.4	— 3.6	2,171.2	+116.6
Deposits	2.174.6	2.148.6	+26.0	2,090.5	+ 84.1

It will be noted that despite improvement in October, comparison with 1935 figures is far from favorable. Current loans have shrunk $130.7 millions, due to lessened requirements for grain financing and reflecting still depressed demand for bank borrowings for other purposes, despite general business improvement. Further recourse has thus had to be made to investment in securities, particularly in Government issues which show an increase of $179 millions over the year.

Cash Position Up in October

Cash position of the banks as a whole rose in October, although it is still lower than a year ago. The increase during the month in cash items was confined to deposits with the Bank of Canada, and this increase, in turn, was largely in deposits of the Canadian Bank of Commerce. Government deposits dropped $30 millions, largely due, it is understood, to obligations maturing during the month. A change which has not been noted for some time is an increase of $1 million in reserve, the amount by which the Bank of Montreal increased its reserve at the month end.

Detailed figures of changes for the month follow:

ASSETS

	October, 1936 $	September, 1936 $	Change $	October, 1935 $	Change $
Immediately Available Liquid Assets					
Canadian coin	4,860,865	5,320,819	— 459,954	5,578,995	— 718,130
Bk. of Can. notes	44,340,624	47,038,217	— 2,697,593	38,655,673	+ 5,684,951
Bk. of Can. depos.	182,876,712	173,845,599	+ 9,031,113	190,854,376	— 7,977,664
Bank's cash	232,078,201	226,204,635	+ 5,873,566	235,089,044	— 3,010,843
Other bank notes	6,006,622	5,765,756	+ 240,866	5,707,866	+ 298,756
Gold & sub. coin ab'd.	7,705,177	12,057,562	— 4,352,385	10,906,033	— 3,200,856
Foreign banks	119,448,854	127.151,503	— 7,702,649	118,311,759	+ 1,137,095
Foreign curr.	23,448,649	23,208,284	+ 240,365	22,914,449	+ 534,200
Gov. sec. short term	461,869,458	393,797,660	+68,071,798	355,980,463	+105,888,995
Do., long term	634,805,087	713,470,291	—78,665,204	561,660,376	+ 73,144,711
Call loans abroad	66,258,008	60,314,783	+ 5,943,225	52,130,116	+ 14,127,892
	1,551,620,056	1,561.970,474	—10,350,418	1,362,700,106	+188,919,950
Loans and Securities Other Than Those of Canadian Government					
Municipal secs.	112,053,439	115,244,108	— 3,190,669	100,529,828	+ 11,523,611
Public secs.♦	50,393,714	55,437,544	— 5,043,830	42,323,625	+ 8,070,089
Other secs.	103,951,963	101,557,144	+ 2,394,819	55,375,328	+ 48,576,635
Can. call loans	108.547,066	104,965,842	+ 3,581,224	73,758,684	+ 34,788,382
Current loans	707,850,681	687,836,073	+20,014,608	855,599,556	—147,748,875
Loans abroad	160,359,901	156,028,254	+ 4,331,647	153,041,866	+ 7,318,035
Prov. loans	14,711,503	26,371,644	—11,660,141	29,625,578	— 14,914,075
Mun. loans	93,517,715	92,705,840	+ 811,875	96,670,586	— 3,152,871
	1,351,385,982	1,340,146,449	+11,239,533	1,406,925,051	— 55,539,069
Other Assets					
Non-curr. loans	12,922,236	13,356,416	— 434,180	14,252,539	— 1,330,303
Real estate	8,964,196	8,909,674	+ 54,522	8,859,429	+ 104,767
Mortgages	4,510,841	4,554,604	— 43,763	5,453,693	— 942,852
Premises	74,773,993	75,176,183	— 402,190	76,394,127	— 1,620,134
Letters of credit	64,267,847	63,828,086	+ 439,761	54,328,225	+ 9,939,622
Loans to comp.	9,650,163	9,092,198	+ 557,965	12,910,043	— 3,259,880
Other assets	1,529.519	1,750,565	— 221,046	1,911,251	— 381,732
	176,618,795	176,667,726	— 48,931	174,109,307	+ 2,509,488
Total	3,079,624,833	3,078,784,649	+ 840,184	2,943,734,464	+135,890,369
Note circ. dep.	7,031,645	7,028,148	+ 3,497	6,869,389	+ 162,256
Int. bank bal.	115,681,528	119,022,839	— 3,341,311	108,033,121	+ 7,648,407
Gross	3,202,338,006	3,204,835,636	— 2,497.630	3,058,636,974	+143,701,032
Liabilities					
To the Public					
Circulation	117,971,877	116,282,712	+ 1,689,165	126,468,158	— 8,496,281
Dom. Govt.	50,045.200	80,185,869	—30,140,669	12,902,070	+ 37,143,130
Prov. Govt.	36,177,434	33,862,821	+ 2,314,613	47,097,040	— 10,919,606
Deposits by Public					
Demand dep.	664,281,664	647,739,862	+16,541,802	625,206,281	+ 39,075,383
Savings dep.	1,510,319,426	1,500,864,504	+ 9,454,922	1,465,301,708	+ 45,017,718
Total	2,174,601,090	2.148,604.366	+25,996,724	2,090,507,989	+ 84,093,101
Foreign dep.	406,490,394	405,640,225	+ 2,850,169	376,661,721	+ 31,828,673
Due to Banks Abroad, Etc.					
United Kingdom	9,463,299	11,061,490	— 1,598,191	9,906,679	— 443,380
Foreign	30,310,640	30,199,333	+ 111,307	28,094,425	+ 2,216,215
Bills payable	961,004	1,268,333	— 287,329	2,060,310	— 1,079,306
Letters of credit	64,267,847	63,828,086	+ 439,761	54,328,225	+ 9,939,622
Other liabs.	2,600,992	2,709,741	— 108,749	2,335,754	+ 265,238
Total public liab.	2,894,909,777	2,893,642,976	+ 1,266,801	2,750,362,371	+144,547,406
Due bet. banks	13,600,970	17,256,408	— 3,655,438	15,084,692	— 1,483,722
Liability to Shareholders					
Dividends	2,542,761	800,735	+ 1,742,026	2,544,813	— 2,052
Reserve	133,750,000	132,750,000	+ 1,000,000	132,750,000	+ 1,000,000
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	3,190,303,508	3,189,950,119	+ 353,389	3,046,241,876	+144,061,632
Credit index*	37.5%	36.9%	+ 0.6%	44.4%	— 6.9%

♦Other than Canadian.
*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Banque Canad. Nationale Names Gauthier Manager

From Our Own Correspondent

MONTREAL.—F. A. Gauthier, for many years assistant manager of the main branch of Banque Canadienne Nationale, has been appointed to Montreal district manager. This division comprises 65 branches on the Island of Montreal, with 66 branches in the territory extending from the Three Rivers-Sherbrooke line, to the limits of the province.

Pool Proposed To Pay Costs Of Relief Work

Limits of Responsibility Between Governments Planned for Waste

'PEG BOARD SPEAKS

Pooling of financial contributions to relief projects from federal, provincial and municipal governments and expenditure of the fund on necessary work in given municipalities is recommended in the report of a committee of the Winnipeg Board of Trade appointed to study employment schemes.

Strict division of responsibility, it is argued, has often necessitated passing up badly needed municipal improvements because the federal or provincial governments were unable to participate in the costs. By the same token, money has been wasted on unnecessary projects, costs of which could be shared.

"While, to a large extent, the same set of taxpayers has had to find the money regardless of the spending agency," it is argued in the report, "the net return from relief expenditures in tangible assets to the country would have been increased if the plan we now recommend had been in effect."

Six Point Programme

The report, submitted to A. B. Purvis, chairman of the National Employment Commission sums up its findings in six major points:

1. It endorses the housing loan plan and suggests that the maximum of $2,000 for home improvement be increased.
2. It finds that advantages of a back-to-the-land movement outweigh any possible objections but recommends a more flexible scheme than has hitherto been tried.
3. It proposes an obligatory government assisted apprenticeship in industry combined with an industrial education system to provide for men between 16 and 30.
4. It endorses plans for highway construction by hand labor.
5. It suggests exemption from income tax on short-term amortization schemes to write off costs of expansions in industry.
6. It supports the proposal for local advisory bodies to assist the National Employment Commission.

Export of Power

In addition to these recommendations of national significance, the committee suggests that the Government of Manitoba explore the possibilities of hydro-electric power development for export. Admitting that the province for years to come will not be able to use even a small proportion of its potential power, it is suggested that employment might be given to thousands of men if sites were developed and contracts closed with United States industries.

In supporting the back-to-the-land movement the committee has presented an interesting analysis of costs in the Manitoba scheme to date. Since 1932, 927 families representing 3,570 persons have been placed on farms at a total cost of $497,510. Of these families 180 have since vacated their farms but the report points out that of this number less than 50% have gone back on relief.

Apprenticeship Plan

An analysis of figures from the Manitoba relief department has been used to show that, of employable males on relief on July 31, 1936, more than 60% are below the age of 30 and the largest proportion of these under 25. Employers of skilled labor, the report argues, should be required to take 10% of their employees as apprentices and other employers, 5%. Under the scheme the Government would pay half the costs in each case of apprentice labor. Boys and men from 16 to 25, it is contended, can be trained to any trade while men between 25 and 30 a still able to enter trades requirin fewer years of training.

Under its tax exemption schem the report recommends that "an improvements or betterments t business or residential property b made deductible from the net incom of the individual or corporation i the calculation of income tax instea of having to be charged to capit investment.

"Such a plan," it adds, "would un doubtedly give an added impetus t the building and construction indus try and reduction in income tax rev enue would be offset by reduction in relief costs and additional taxabl earnings from industry."

St. Catherine-Stanley

It is expected that bond interes coupons due Nov. 1, 1934, on th St. Catherine-Stanley Realty Corp will be paid this month.

Bank of Canada Weekly Statement

Deposits of the chartered banks with the Bank of Canada declined sharply to $201.6 millions in the week ended Dec. 2. While net decrease was about $7 millions, the actual change was materially larger, the bank's monthly statement at Nov. 30 showing chartered bank deposits at $214.9 millions.

The remaining advance to Saskatchewan was paid off at the beginning of December. The loan had been made in June to enable Saskatchewan to meet its debt maturities pending completion of the proposed plan for a loan council.

Balance Sheet

	Dec. 2 $	Nov. 25 $
Liabilities		
Capital paid up	10,100,000	10,100,000
Notes in circ.	126,164,926	126,961,129
Rest fund	173,092	173,092
Dep.: Dominion	23,984,980	18,257,256
Banks	201,603,774	208,421,314
Other	1,815,869	1,266,189
Total deposits	227,404,623	227,944,759
All other liabs.	5,935,086	6,471,486
Total liabs.	369,777,727	371,650,466
Assets		
Reserve: Gold	179,368,973	179,132,723
Silver bullion	2,078,859	1,978,765
Res. in sterling and U. S.	17,694,275	15,486,534
Total reserve	199,142,107	196,598,022
Subsidiary coin	212,952	259,801
Advances	....	1,000,000
Investments:		
Dom. Govt. short	64,726,304	65,462,484
Other Dom. Govt.	99,943,346	103,243,322
Total invest.	164,669,650	168,705,806
Premises	372,162	364,662
All other assets	5,380,856	4,722,175
Total assets	369,777,727	371,650,466
Reserve ratio	56.32%	55.39%

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Position of Chartered Banks of Canada as of October 31, 1936, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
Montreal	27,749,972	21,477,315	8,443,956		173,568,566	411,089,022	67,924,292	1,761,698	1,058,144	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nova Scotia	10,265,349	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Toronto	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provincial	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commerce	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Royal	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dominion	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nationale	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imperial	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Barclays (Canada)	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	117,971,877	50,045,200	36,177,434		664,281,664	1,510,319,426	406,490,394	13,600,970	9,463,299	30,310,640	961,004	64,267,847	[illegible]	2,542,761	133,750,000	145,500,000	3,190,303,508

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorized	Capital Subscribed	Last Dividend	Loans to Directors and firms of which they are partners*	Average Notes and Deposits with Bank of Can.	Greatest amount of Notes in Circ.
Montreal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nova Scotia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Toronto	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provincial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commerce	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Royal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dominion	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nationale	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imperial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Barclays (Canada)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	145,500,000		[illegible]	[illegible]	[illegible]

▲ Of this amount, $59,602,939 represents deposits in Canada in currencies other than Canadian, carried under demand and savings deposits in Canada prior to Aug., 1935. * And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other Banks	Balances due from other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Canadian	Other bonds and stocks	Call loans in Canada	Call loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total Assets
Montreal*	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nova Scotia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Toronto	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provincial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commerce†	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Royal‡	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dominion	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nationale§	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imperial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Barclays (Can.)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	4,860,865	7,705,177	44,340,624	182,876,712	6,006,622	23,448,649	[illegible]	[illegible]	21,780,334	[illegible]	461,869,458	634,805,087	112,053,439	50,393,714	103,951,963	108,547,066	66,258,008	707,850,681	160,359,901	14,711,503	93,517,715	12,922,236	8,964,196	4,510,841	74,773,993	7,031,645	[illegible]	[illegible]

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* The business of the Bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

† The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

‡ The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement.—Footnote to Royal Bank return.

§ The assets and liabilities of the Banque Canadienne Nationale, France, are being considered a branch office operation [illegible] of the Banque Canadienne Nationale [illegible]—Footnote to Banque Canadienne Nationale return.—Footnote to [illegible] $24,387,847 letters of credit outstanding to meet the liabilities.

Week in Mining

Gentle Decline Fails To Reveal a Reason

British Constitutional Crisis Blamed For Apathy — General Level is Lower

General trend of the mining markets in the past week was a slow drift, with isolated exceptions in the penny stocks. The general level was decidedly lower than a week or so ago. The cause of this decline was not quite clear. Some traders laid the blame on the British constitutional crisis, but just how this crisis, fraught with significance, could have any effect on the future of Oshkosh Gold Mines, could not be explained. Inexplicable as it is, developments in London undoubtedly contributed some of the general trading apathy.

During the week, figures were released showing that Canadian gold production continued to make new records in October last. The future of the $35 gold ounce appeared as firm as ever. Base metal surpluses continued to drop, enhancing the outlook. And the news from the field was generally of an encouraging nature. Profit taking may have aided the decline, although volume figures indicated that this was not a particularly forceful factor.

Premier Dividend

PREMIER GOLD MINING CO., which will pay one cent per share with the regular dividend of three cents per share on Jan. 15, 1937, has brought its total dividend disbursement for the 1936 fiscal year to 16 cents per share.

Premier has paid this extra bonus along with the quarterly dividend since Oct. 15, 1935. Prior to 1935 the annual dividend had not been earned for some years. Last year, however, the company earned 35 cents a share and paid 14 cents per share, leaving a comfortable margin. This compares with seven cents per share earned in 1934 and 12 cents paid.

If its Australian venture proves profitable, and early indications are that it will, this veteran company appears to have rehabilitated itself in a remarkable way since the Premier Mines began showing increasingly smaller results. The case of Premier illustrates how a well-managed producer can, when the original property nears depletion, pass through the transition stage into a holding or exploration company successfully.

* * *

Crude May Be Boon

BRINGING-IN of the Foundation crude oil well on a substantial basis, and with a good gravity oil, enlarges, materially, the western oil picture. The new well increases by a mile the established crude area in the west flank of Turner Valley. Turner Valley Royalties, which was brought in last May, is a mile north of the new find.

It is safe to say that southern Alberta is today launched on the most intensive oil exploration programme in its history. There are a large number of propositions which have been hanging fire, pending the successful culmination of the Foundation effort. It is not likely that there will be any dearth of capital from now on, particularly since it is well known that Great Britain is anxious to secure a reliable source of oil within the Empire.

Many are the companies which will indirectly benefit from the Foundation success. Imperial Oil, through its subsidiary, Royalite, holds the largest acreage in the valley. Through Dalhousie and other subsidiaries, Imperial Oil controls additional large lease holdings on the west flank. Imperial's big competitor, British American Oil, has also a number of agreements with companies holding acreage in the area. Calgary & Edmonton Corp. hold many leases throughout this district. Sterling Pacific, on whose lease are two Royalite wells, one on the point of production, Okalta and, more recently, Home Oil are others which will stand to benefit from this operation.

Greatest benefit of all, of course, will accrue to the province itself and through the province to the Dominion.

Complete details of the new developments are covered in an article in this week's issue.

* * *

Bird From Rubec?

HERE is the sort of publicity that Canadian mining should be receiving in the United States. Recently a wild duck was killed by a hunter near Sandusky, Ohio. From its craw were taken 14 small nuggets of gold. Residents of the districts, according to press reports are convinced the nuggets were picked up by the bird in the northern Ontario mining country.

The bird might, of course, have recently returned from the Rubec property in northwestern Quebec.

* * *

Smelters' Bonus

SHAREHOLDERS of Consolidated Mining & Smelting Co., who feel irked over the recent inadequate report on this company's Chibougamau development, will be less bitter on Dec. 31 when they receive a bonus of $1 per share in addition to the regular quarterly dividend of 50 cents. If Smelters now would only pay a dividend to long-suffering shareholders of Consolidated Chibougamau.

Incidentally, Canadian Pacific Railway Co., which owns about 51% of Smelters stock, will this year have received something like $3,365,00 in dividends from this mining operation, not to mention a tremendous amount of freight revenue.

British Columbia Builds Mill to Aid Mining

From Our Own Correspondent

VANCOUVER. — A 50-ton ore sampling mill will be built at Prince Rupert by the British Columbia Government with the object of aiding small mine operators in the Portland Canal Alice Arm and adjacent districts. A similar plant will be established at Nelson to serve the Kootenay country. The legislature has approved $100,000 to pay for the two projects.

Lebel Oro Mines Sells 105,000 Shares

From Our Own Correspondent

MONTREAL.—Lebel Oro Mines has sold 105,000 shares at 15 cents each under the terms of the option agreement, leaving a balance of 183,500 shares in this price group.

J. E. GRASETT & CO.
Members The Toronto Stock Exchange
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WAVERLEY 4781
Branch Office:
2822 Dundas St. at Heintzman Ave. JU. 1167

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Timmins Spikes Chromium Story

From Our Own Correspondent

MONTREAL. — "Neither the mine nor the smelter are at the production stage, so there can be no question of the mine failing to supply ore fast enough for the smelter," said Leo. H. Timmins, president of Chromium Mining and Smelting Co. in commenting on reports that the ore supply was insufficient for the smelter. "The tonnage produced to date has been the result of experimental work," continued Mr. Timmins, "and we are not producing to fill commercial contracts."

Various bearish stories have been circulated about Chromium Mining, as a result of which the stock has been subjected to relatively heavy selling with a falling off in value.

Eldorado Plant Radium Output To Be Boosted

Company Reports British Orders Alone Exceed $800,000

OPTIONS EXERCISED

Claiming to have on hand orders for radium alone from British sources totalling "considerably more than $800,000," to be produced and delivered in 1937, Eldorado Gold Mines will start immediately on an expansion programme at the Port Hope, Ont., refinery.

Gilbert LaBine, general manager, states that the estimated increase in productive capacity would be over three times the present amount of radium.

Mr. LaBine states that the property development at Great Bear Lake, N.W.T., fully justified the expansion from the point of view of ore reserves, revealed by recent development underground. He states that the present mill, including the new equipment on the ground, would be capable of supplying the increased tonnage of pitchblende concentrates required with the stepping up of the refinery.

Beginning with October, Eldorado has been producing two grams of radium monthly at Port Hope, with orders reported running from six to 12 months ahead of delivery.

Option Exercised

The company has allotted a block of 50,000 shares for $87,500 to acquire all the issued capital stock of Northern Transportation Co., which operates a fleet of vessels on the Mackenzie River system from Waterways, Alberta to LaBine Point on Great Bear Lake. It is thus hoped to hold shipping costs to a minimum.

In October, the company produced 80,000 ounces of silver. The general manager reports that the installation of the new equipment, including the new Diesel unit and the new hoist, has been completed.

The option granted to Harry Snyder Ltd. on 302,000 at 95 cents per share until Dec. 15, 1936, has been exercised in advance and has permitted the company to pay off its bank indebtedness. Ttoal issued stock is now 3,630,000 shares.

OPTIONS

The following options and underwritings have been reported to the Toronto Stock Exchange in accordance with listing regulations:

East Malartic Mines — An additional 25,000 shares at 60 cents per share have been taken up under agreement Oct. 31, 1935, making total issued capital 2,705,247 shares. Balance of option comprises 44,754 shares at 60 cents and 250,000 shares at 80 cents.

Sladen Malartic Mines—An additional 60,000 shares at 55 cents per share have been taken up under agreement Nov. 5, 1935, making total issued capital 3,423,021 shares. Balance of option comprises 64,000 shares at 55 cents and 300,000 shares at 65 cents.

Powell Rouyn Gold Mines—Option payment due Jan. 15, 1937, covering 37,500 shares at 80 cents per share has been anticipated. This brings total issued capital to 1,033,507 shares. Balance of option comprises 100,000 shares at $1; 100,000 shares at $1.25 and 100,000 shares at $1.75.

Glenora Gold Mines—Payment due Dec. 4 under agreement June 11 covering 100,000 shares at 35 cents per share has been received, bringing total issued capital to 3.9 million shares. Balance of option comprises 100,000 shares at 40 cents; 100,000 at 45 cents and 150,000 shares at 50 cents with next payment due Jan. 4, 1937.

Gold Belt Mining—Under April 1 option, an additional 225,000 shares have been taken up at 20 cents per share, bringing total issued capital to 1.8 million shares. Balance of option comprises 200,000 shares at 20 cents per share.

Grull-Wihksne Gold Mines — A further 50,000 shares at 10 cents per share have been taken up under agreement Sept. 2, bringing total issued capital to 2,190,139 shares. Option has entered into a firm commitment to take up a further 50,000 shares at 10 cents by Dec. 13 and balance of 200,000 shares under option at 12 cents is exercisable by Jan. 13, 1937.

Reno Gold Mines—A total of 13,694 shares have been taken up at $1.30 per share under agreement Sept. 24. Balance of option comprising 20,000 shares at $1.30 has been extended to Dec. 15.

Big Missouri—An additional 37,500 shares have been taken up at 50 cents per share under agreement Dec. 9, 1935. Balance of option comprises 1,275,633 shares at 50 cents.

McMillan—By Nov. 4 agreement, an option has been given on 313,926 shares, being balance of treasury stock at 10 cents a share until May 4. Option is exercisable only in blocks of a minimum of 50,000 shares. McMillan borrowed $15,000 from the optionee for a period of six months, this loan with six per cent interest being secured by a lien on bullion production. If so desired the optionee may offset all or any part of the amount of the loan and interest against payments under the option.

MacLeod-Cockshutt—Subscriptions have been received and accepted for 395,834 shares on the rights recently offered to shareholders. Of this number, 147,952 shares have been paid for in full, the balance being subscribed for on the installment plan.

Tashota—Company will increase capital from three million to five million shares. An underwriting agreement of 350,000 shares at 15 cents has been made and $50,000 has been deposited in the Montreal Trust Co. An offering of a million shares at 15 cents will be made to shareholders as of record Dec. 15 and any portion of the offering not taken by shareholders has been underwritten at the same price. By an agreement of Nov. 21, provision is made for the deposit of a minimum of 917,000 shares which is to be held against pool for the year.

Algoma Mining and Finance Corp. — A block of 25,000 shares has been taken up at eight cents per share under agreement Sept. 22, bringing total issued capital to 1,855,000 shares. Balance of option comprising 105,000 at eight cents due Nov. 21 has been terminated for default.

Plan 1000 Tons Ultimate Rate For Aldermac

MacAlpine Outlines Programme For Copper Property

POSITION IMPROVES

Final plans for placing the mill of Aldermac Copper Corp. in production have been made, Col. C. D. H. MacAlpine, president, informs The Financial Post. The ultimate objective for the mill is a capacity of 1,000 tons of ore a day by June, 1937. It is expected by officials that the mill will be handling 250 tons per day by the end of the year, and 500 tons by the end of March.

Coper concentrates will be produced at first, for which, it is claimed, contracts are already in existence. Pyrites containing the sulphur concentrates are to be placed in a stock pile until the sulphur plant is ready, probably late in 1937.

Exercising of all the outstanding options has placed this company in a good cash position, and it is officially announced that cash in the company's treasury is in excess of $700,000. Total issued capital now amounts to 4.7 million shares with 300,000 shares remaining in the treasury.

Mining News Concentrates

Algoma Summit Gold Mines—reports a new high-grade vein intersected in the east drift off the main crosscut which is 17.5 inches wide and assays commercial ore. The 550-ton ball mill is moved into the new mill building and is now being set up.

* * *

Beaufor Gold Mines—J. P. Norrie, general manager, states that the new No. 4 shaft had been completed to 692 ft. as at Nov. 15 with a station completed at the 660-ft. level. A crosscutting to open up indicated ore bodies north of the shaft is now under way. Diamond drilling has been continued.

* * *

Beresford Lake Mine—the main shear zone at this property has now been cut on the third level, according to a report received from E. S. McCarthy, mine superintendent. The width of the shear at the point of intersection was 10 feet. Crosscutting on the third level will be continued beyond the shear zone before drifting is actually started.

* * *

Bralorne Mines—reports November production at 6,504 ounces from 13,875 tons. This is a recovery per ton of .47 ounces and compares with a total recovery of 6,553 ounces from 14,725 tons or a recovery per ton of .45 ounces in October.

* * *

Capps Gold Mine — underground development is making good progress and preparations for immediate construction of the mill on this North Carolina property are proceeding.

* * *

Gale Gold Mines—in the Siscoe area of Quebec, reports that all development has been confined to the second level where work is being proceeded on three different faces. Two faces on the new vein, 204, east and west are continuing with good average grade of ore. A drilling contract has been let for 2,000 ft. A new crosscut on the second level north of the shaft has been intersected a one-and-one-half ft. vein striking southwesterly. Drifting on this vein is now in progress.

* * *

Hollinger Consolidated Gold Mine—has decided to proceed with plans for moving the crushing section of the mill to a new location, one-quarter mile west and to sink a new shaft to take the place of the central shaft for ore hoisting. It is expected that this work will take a couple of years to complete.

* * *

Island Mountain Mine — reports November production at 1,405 ounces from 3,819 tons. October production amounted to 1,463 ounces from 3,966 tons.

* * *

Red Lake Gold Shore Mines—Charles St. Paul, president and managing director, who is recovering from a serious illness, has resigned from the board of directors and John A. Baker, consulting mining engineer of Westport, Connecticut, has been appointed for the unexpired term. Dr. Robert W. Breuls is new president of this company with Harry A. Newman, K.C., vice-president.

* * *

Tecumseh Gold Mines—officially reports that at 60-ft. depth, in the shaft, No. 1 vein shows 15 ft. wide with the hanging wall not in sight. Dr. J. F. Wright has been appointed consultant. Sampling of the vein on the first level opened for 219 ft by previous operators is under way.

* * *

United Gold Equities — through Professor W. G. McBride, president, announces declaration of a dividend of four cents per share payable Jan. 15, 1937, to shareholders of record Jan. 5. This represents an increase of one cent over the three cents paid Oct. 15 last.

* * *

Upper Canada Mines—reports that in recent shaft sinking on the property in the East Kirkland Lake district at a depth of 210 ft. a new ore condition was encountered described as a new vein apexing at this horizon. Sampling of the shaft report channel samples of $9.68 across eight ft. three inches and sections as high as $16.45 gold per ton. The shaft is on its way to the 500-ft. horizon.

* * *

Winoga Patricia Gold Mine — to explore ore possibilities revealed by favorable diamond drilling, underground work is to be started immediately at this property, the president reports. The first step will be the sinking of a prospect shaft to permit examination of the high-grade vein occurrence indicated by No. 34 diamond drill hole. This hole, located above 100 feet to the east of the Pickle Crow boundary on the property's northern claim, showed a two-inch section carrying high gold value in addition to another five feet carrying what are reported to be commercial values.

Late Dividend Declarations Swell Total $9.6 Millions

Further declarations of dividends payable in December has brought the total dividend payments of Canadian corporations in 1936 to $260.4 millions, according to a compilation by The Financial Post. Up to Dec. 1 declarations and payments had totalled $250.8 millions.

The principal factor in this increase has been the declaration of a dividend of 50 cents a share, plus an extra of $1 a share, on the common stock of Consolidated Mining and Smelting Co. The distribution by this company will total $4.8 millions.

Total dividend payments in December will total $78 millions, an increase of $11.3 millions over the same month of 1935.

The 1936 total of $260.4 millions is an increase of $38.4 millions over the 1935 figure and compares with the record high of $284.6 millions in 1930.

Details of December payments follow:

Summary of December Payments

	1936 $	1935 $
Dividends	78,000,150	66,700,000
Bond interest	32,496,506	32,601,617
Total	110,496,656	99,301,617

Dividend Payments

Company	Rate	Date	Amount
Acadia Sugar, c.	†.10	1	30,000
Andian National	1s	1	2,550,000
Do., extra	1	1	2,550,000
Anglo-Can. Tel., A	.17½	1	45,675
Anglo-Huronian	.20	1	260,521
Assoc. Brew., c. extra	.25	15	56,150
Amer. Cyan., A B	.15	21	378,055
Assoc. Brew., c.	.15q	31	33,690
Assoc. Tel. & T., 6% p.	.24	15	11,327
Do., 7% pfd.	.28	15	9,155
Bk. of Montreal	2q	1	720,000
Bk. Can. Nationale	2q	1	140,000
Bk. of Toronto	2.50q	1	150,000
Biltmore Hats, pf.	1.75q	15	3,665
Bright, T. G.	.07½q	15	7,500
Do., pref.	1.50q	15	11,823
Bulolo Gold	‡1.40	10	1,316,000
Canada Bud	.40	19	60,000
Canada Malting	.37½q	15	74,614
Do., extra	.50	15	99,486
Canada Vinegars	.30q	1	27,600
Can. Wire & Cable, pf.	*2.75	23	79,394
Can. Bk. of Commerce	2q	1	600,000
Can. Int. Inv. Trust, pf.	2.50	1	45,375
Can. W. Nat. Gas	1	1	80,000
Do., pref.	1.50q	1	52,500
Can. Celanese	.40	31	100,163
Do., pref.	1.75q	31	157,500
Cel. of Amer.	1	23	1,000,000
Do., part. pfd.	3.50s	31	516,626
Confed. Life	1q	31	10,000
Cons. Div. Std. Sec., p.	.37½s	15	19,093
Cons. Smelters	.50	31	1,629,377
Do., extra	1	31	3,258,755
Corr. Paper Box, pf.	1.75q	1	13,710
Dom. Scott. Invest., pf.	.25q	1	14,925
Electrolux	.40q	15	495,000
Do., extra	.30	15	371,250
European Elec., A B	.60	15	1,140,036
Falconbridge N.	.07½q	31	250,275
Famous Players	.60	22	236,514
Fanny Farmer	.12½	23	48,808
Do., extra	.25	23	97,618
Ford Motor, A & B	.25q	16	414,740
Gurd, Chas., c.	‡.20	..	12,000
Growers Wine, c.	.50	15	12,906
Ham. Un. Theat., pf.	1.25q	31	9,848
Hinde & Dauch	.25	21	74,983
Hightower Oil, pref.	.15q	1	22,684
Hollinger Gold	.05	1	246,000
Do., extra	.05	1	246,000
Hollinger Gold	.05	31	246,000
Do., extra	.10	31	492,000
Hudson Bay Mining	.50	21	1,341,963
Imperial Oil	.25s	1	6,741,269
Do., extra	.37½	1	10,111,904
Imperial Tobacco, ord.	.08½q	31	826,963
Inter C. Baking	1	10	21,145
Inter. Nickel, c.	.40q	31	5,833,610
Inter. Petroleum	.75s	1	10,743,066
Do., extra	.50	1	7,162,044
Do., pref.	.75s	1	150,000
Do., extra	.50	1	100,000
Inter. Mining	.45	24	180,024
Inter. Paints, pf.†	.75	21	21,000
Do., extra	.25	21	7,000
Island Mtn. Mines	‡.05	15	52,535
Kirkland Lake	‡.03	1	157,173
Lake Shore Mines	1q	15	2,000,000
Do , extra	1	15	2,000,000
Lake of Woods M., pf.	1.75q	1	26,250
Do., on arrears	14	1	210,000
Laura Secord	.75q	1	43,125
Lava Cap. M.	.02	21	50,000
Loblaw Groc., A & B	.25q	1	207,657
Loew's Marcus, pf.	▲1.75	15	11,442
Loew's, London, pfd.	•1.75	15	5,904
Louisiana Land	.10q	15	300,000
Do., extra	.10	15	300,000
McColl-Fron., c.	.20q	15	132,000
McIntyre Porc.	.50q	1	399,000
McKenzie R. Lake	.03	15	87,000
Do., extra	.01	15	29,000
McKinley Mines	.02½	1	28,096
Melchers, A	*.50	15	50,000
Montreal Cottons, pf.	1.75q	15	52,500
Montreal Loan	.50q	15	12,000
Nanaimo-D. Util., pf.	.81¼q	1	6,500
Neon of W Can., c.	.25	20	13,709
N. Method Ldy., pf.	1.62½q	1	4,062
Noranda Mines	‡1.75	22	3,919,601
Nor. Can. Mining	‡.02	1	50,000
N. S. Light & Pr., pf.	1.50q	1	25,500
Ogilvie Flour, pf.	1.75q	1	35,000
Ont. Silknit, pf.	1.75q	15	17,500
Paton Mfg., pref.	1.75q	15	10,500
Pickle Crow	.05	31	150,000
Power Corp., c.	.25	21	111,556
Pressed Metals	.50	22	56,494
Do., extra	.50	22	56,494
Provincial Bank	1.50q	1	60,000
Reliance Grain, pf.	1.62½q	15	32,500
Rolland Paper, pf.	1.50q	1	22,500
Royalite Oil	.50	1	348,773
Do., extra	.25	1	174,386
Royal Bank	2q	1	700,000
Siscoe Gold	.05q	15	236,500
South. Amer. Gold	.10	10	176,000
Std. Silver Lead	.01	24	20,000
Sunshine Mining	.75q	15	1,116,616
Sylvanite Gold	.05q	31	164,975
Union Gas	.12½	15	88,273
Unit. Amuse., A B	.30	15	22,310
Do., bonus	.10	15	7,436
Walker, Hiram	.50q	15	330,000
Do., pref.	.25q	15	115,204
West. Koot. Pr., pf.	1.75	31	8,750
Total			78,000,150

q—Quarterly.
s—Semi-annually.
†Initial. ‡Interim. *Arrears.
▲For quarter ended Sept. 30, 1930. •For quarter ended Sept. 30, 1933.

BOND INTEREST DUE IN DECEMBER

				$
Alta. Pac. Grain	6	1	1946	80,340
Bawlf Terml., B	6	1	1942	6,150
Bell Tele., B	5	1	1957	750,000
B. C. Tele., A	5	1	1960	85,000
Do., B	4½	1	1961	225,000
B. A. Oil deb.	2½-3	1	Serial	107,500
Can. Nat., gtd.	3	15	1950	307,500
Canada Paper, A	‡6	4	1945	33,045
C.N.R. (Govt. gte.)	4½	15	1955	1,187,500
Can. Nor. Rly. 1st	4	1	1939	160,600
Do., Alta., gtd.	4	1	1939	111,732
Can. N West. Rly.	4½	1	1942	144,540
C.P.R. Trust (gold)	5	1	1954	750,000
C.P.R. Note Cert.	4½	15	1944	461,625
C.P.R. Eq. Tr., B & C	4½	1	Serial	270,000
Cons. Press	6½	1	1949	15,840
Cawthra Apts. 1st	6	1	1947	6,375
400 Avenue Rd.	7	1	1946	9,303
For. Pr. Secs., A	6	1	1949	71,895
Famous Players, A	3-3½	1	Serial	34,125
Do.	4½	1	1937	112,500
Gatineau Power	5	1	1956	1,728,437
Do., S.F. debs	6	15	1941	287,910
Godfrey Realty	*6	1	1942	42,027
H. Smith Paper, A	†5½	1	1953	180,372
Ind. Accept., A	6	1	1940	22,500
Inv. Bond & Sh., A	5	1	1947	49,437
Lon. Can. Inv., A	4½	1	1948	85,297
Maple L. Mill.	5½	1	1949	103,961
McNish deb. stk.	6	1	1948	60,571
Mex. L. & P. 2nd	5	1	1968	302,200
Northwest Utilities	7	1	1949	78,088
Mt. Royal Hotel	5½	1	1947	97,900
N. Que. Pr., A	6	1	1945	79,500
N. S. Light & Pr.	5	1	1958	105,687
Do., B	5	1	1965	8,750
Power Corp., A	5	1	1957	49,232
Quebec Power	5	1	1968	293,390
St. John & Que. Rly.	4	1	1962	54,558
Richmond Bay	6½	1	1947	10,650
Ritz Carlton Hotel	5	1	1942	16,188
Riverside Iron	7	1	1947	6,300
Standard Clay	6	2	1942	13,737
Twin City R., 1st	5½	1	1952	471,487
Windsor Arms	6½	1	1947	11,056
H. Walker-Good.	4½	1	1945	170,000

Corporation bonds	9,259,805
Municipal bonds	6,933,400
Provincial bonds	5,802,791
Dominion loans	10,500,510
Total	32,496,506

*Installment coupon No. G; a payment of 1½ per cent plus interest at the rate of 6 per cent on the deferred interest.
†Redeemed Dec. 1, 1936.
‡Can be redeemed June 4, 1937.

Mining Dividends

	Rate	Close Dec. 7	Yield %
Anglo-Huronian	20c	6.05	..
Beattie Gold	†5c	1.25	..
Bralorne	40c+15c	8.00	..
Buff. Ankerite	20c	11.00	1.8
Bulolo Gold	‡1.40	30.50	..
Cariboo	10c	1.65	6.1
Central Patricia	†4c	4.10	..
Coniagas	12½c	3.25	..
Cons. Smelters	$1+$1	73.50	..
Dome Mines	$2+$2	50.75	7.9*
Falconbridge	30c	11.25	2.7
Hollinger	65c+45c	13.75	8.*
Howey Gold	2c	.61½	..
Hudson Bay	$1	31.50	..
Island Mountain	‡10c	1.24	..
Int. Coal & Coke	‡1c	.23	..
Int. Nickel, c.	$1.60	60.75	2.6
Kerr Lake	5c	.55	..
Kirk. Lake	‡3c	.63	..
Lake Shore	$5	57.50	8.7*
Lava Cap M.	4c	1.03	..
Little L. Lac	30c	7.10	..
Macassa	15c	6.90	..
McIntyre	$2	40.00	5
McKenzie R. Lake	6+1c	1.70	..
McKinley Sec.	2½c	.60	..
McWatters Gold	†5c	.90	..
Nipissing	50c	2.65	..
Nor. Can. Mining	2c	.55	..
Noranda	$3	69.25	4.3
Pickle Crow	20c	7.30	..
Premier	12c+4c	3.49	4.6*
Pioneer, B.C.	80c	5.50	14.5
Reno	12c	1.30	9.2
San Antonio	14c	2.35	..
Sheep Creek	8c	.85	9.4
Siscoe	20c	4.25	4.7
So. Amer. Gold	30c	4.80	..
Sudbury Basin	10c	5.45	..
Sylvanite	20c	3.35	6
Teck-Hughes	40c+5c	5.35	8.4*
Toburn	8c	3.80	2.1
Ventures	2½+2½c	2.80	..
Ymir Yankee Girl	5c	.32½	..

‡Interim. †Initial. *Yield includes bonus.

Ontario's Gold Output Up 9%

(Continued from page 11)

operations indicates a profitable level for this young producer.

Central Patricia

		3rd quar. 1936	2nd quar. 1936
Total recovery	$	230,895	295,201
Tons milled		15,619	14,129
Recovery per ton	$	14.78	20.89
Tons daily		170	155

Considerable development rock is being put through the mill at Central Patricia which accounts for drop in grade. Opening of ore on four new levels in recent weeks has doubled the known length of ore.

Howey

		3rd quar. 1936	2nd quar. 1936
Total recovery	$	316,695	314,090
Tons milled		128,712	132,571
Recovery per ton	$	2.46	2.40
Tons daily		1,399	1,457

Small changes in the grade at Howey can make a considerable difference to the profit showing. The recovery in grade, therefore, shown in the third quarter, from low figure in the second quarter, is encouraging. Howey's profits this year should approximate the 1935 level.

Hudson Patricia

Total recovery	$	16,673
Tons milled		4,155
Recovery per ton	$	4.01
Tons daily		34

Figures cover period from start of the mill in May, until the end of September. Improved grade is currently being passed through the mill.

J. M. Consolidated

Total recovery	$	20,943
Tons milled		3,775
Recovery per ton	$	5.55
Tons daily		....

Figures cover period from commencement of operations on a 100-ton basis last August until Sept. 30. They are therefore not very significant as regards this property's future possibilities.

McKenzie Red Lake

		3rd quar. 1936	2nd quar. 1936
Total recovery	$	174,229	202,788
Tons milled		13,296	12,830
Recovery per ton	$	13.10	15.81
Tons daily		145	141

Additional equipment is being installed at McKenzie, which will bring the capacity to 225 tons a day. It is questionable whether this full capacity will be reflected in fourth quarter earnings, however.

Pickle Crow

		3rd quar. 1936	2nd quar. 1936
Total recovery	$	398,285	413,528
Tons milled		12,397	13,490
Recovery per ton	$	32.13	30.65
Tons daily		135	148

Pickle Crow in the third quarter entrenched itself as Canada's highest grade producer. Work on increasing the capacity of the mill to 400 tons per day is well under way.

Red Lake Gold Shore

Total recovery	$	36,346
Tons milled		3,430
Recovery per ton	$	10.60
Tons daily		....

Figures cover period from start of the mill in late August until Sept. 30. Recent developments augur well for an increase in preliminary grade shown.

Siscoe Gold Mines Releases Trust Shares

From Our Own Correspondent

MONTREAL.—Siscoe Gold Mines announce that 37,998 shares have been transferred out of the shares held in trust for the benefit of the company and at present outstanding in the hands of the public. This increases the number of outstanding shares to 4,648,063.

Preston East Dome Sells Optioned Stock

From Our Own Correspondent

MONTREAL.—Preston East Dome Mines has notified the Montreal Curb Market that under the terms of the option agreement 100,000 shares at 50 cents each have been taken up. There now remain under option 366,000 shares at the same price and 50,000 shares at $1.75 a share.

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NEW SLEEPING CAR SERVICE to and from SIOUX LOOKOUT, ONT.
(Gateway to Red Lake, Woman's Lake and Pickle Lake Mining Areas)
EFFECTIVE DECEMBER 15TH, 1936, new sleeping car service will be established between NAKINA, ONT., and SIOUX LOOKOUT, ONT., in Trains Nos. 1 and 2 "Continental Limited" for the convenience of passengers between Eastern Canada and Sioux Lookout. They may use accommodation in regular through sleeping cars East of Nakina, and transfer to and from the Nakina-Sioux Lookout sleeping car at Nakina at a convenient hour.
Sleeping cars in the Nakina-Sioux Lookout service will be PARKED at Sioux Lookout and accommodation may be occupied as follows;
WESTBOUND—until 8.00 o'clock in the morning of arrival of Train No. 1 at Sioux Lookout.
EASTBOUND—Commencing at 9.30 o'clock evening prior to departure of Train No. 2 from Sioux Lookout.
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NOTICE

to the shareholders of

RUBEC MINES, LIMITED

Supplementary letters patent, pursuant to by-law enacted and approved, were granted on December 2, 1936, increasing the capital stock of Rubec Mines, Limited by 1,000,000 shares. Shareholders of record as of December 12, 1936 have the the right to purchase 1 share of new stock for every 5 shares held in their name.

Shareholders wishing to enjoy these rights must have their stock registered in their name by December 12, 1936.

By order of the Board,

RUBEC MINES, LIMITED

We are pleased to announce the formation of
R. P. MILLS & CO.
LIMITED
to transact a general Securities business, specializing in the better grade of Mining Issues.
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Central Man. Returns Its Old Officers

Ritchie's Place on Board Taken by Manitoba M. L. A.

ANNUAL MEETING

From Our Own Correspondent

WINNIPEG. — William Hurst is again president and managing director of Central Manitoba Mines Ltd., with Col. L. D. M. Baxter as vice-president and Frank Mathers secretary-treasurer. The entire board was re-elected at the ninth annual general meeting of shareholders in Winnipeg Dec. 2. The only change on the board was the substitution of James McLenaghan, M.L.A., in place of H. C. Ritchie, who resigned some months ago.

Mr. Ritchie resigned, partly to press for compensation for time and effort spent in taking the company out of its former directorate, which commenced in 1932 and for some considerable time was featured with much dissension.

Ritchie Offered $3,000

Mr. Ritchie, for himself and other shareholders, launched a civil action against the then directors of the company, seeking the return of $30,000 to the Central Manitoba treasury which it was claimed had wrongfully been paid out. A settlement in cash and stock of the company was made and the company received 300,000 shares of stock which it eventually sold to net the treasury $47,000 instead of the $30,000 claimed. Mr. Ritchie asked for a sixth of the stock, or 50,000 shares. The meeting decided finally and empowered the directors to settle with him for an amount not exceeding $3,000 to be paid in cash.

Working capital, the president told the shareholders, now stands at $270,000 and of this $225,000 is in cash or its equivalent. November bullion recovery was $39,800, reflecting an improvement in mill recovery. Ore reserves are down to 5,000 tons, but, as the president explained, they have frequently been as low or lower before and invariably they have been able to find more ore to replace it.

Drifting on Two Levels

Drifting on two new levels in the Kitchener shaft, now down below the 900-ft. level, has disclosed conditions geologically similar to those in which ore shoots have been found in upper horizons. However, in neither level has drifting been in ore of commercial grade.

On the 450-ft. level of the Hope shaft ore has been encountered within the last few days, but no estimate could be given as to its size. Underground work, the president told the meeting, had disclosed the fact that diamond drilling was not a satisfactory method of exploration for the Central Manitoba mine. All development expenses have been met out of the proceeds of the mine and payments from other sources have resulted in lifting the working capital to practically its highest point.

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An Announcement:
THE
Investors' Chronicle
Established 1860
Published in London, England, which has the largest net sale of any weekly financial newspaper, is publishing a special
Canadian Mining Supplement
This Supplement will be read by Bankers, Stockbrokers and Financiers throughout the entire British Isles, and will thus form a valuable financial link between Canada and the Mother Country.
Full particulars of advertising rates, etc., can be obtained upon application to—E. Stuart Johnstone, The Park Plaza, Avenue Road and Bloor Street, Toronto.

Empress Enlarging Development Programme

Following recommendations by R. W. Howe, M.E., the Company's Consulting Engineer, Empress Consolidated Gold Mines are enlarging considerably their present development campaign.

An additional engineer is being added to the staff to assist in the handling of the larger scale developments.

The construction of the bulk sampling unit is now under way and a second diamond drill is being placed on the property.

An additional assayer has been obtained and the crew is being increased.

Full particulars of developments are available upon request.

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Dynamite vs. Gasoline

When John E. Hammell Goes to Work on Gasoline, Something Will Explode — North Country Thinks it Won't be Hammell

By WILFRID SANDERS

It has been fairly well proven to the satisfaction of most that alcohol and gasoline do not mix.

The world is now having an opportunity of seeing what happens when dynamite and gasoline mix it up a bit.

The gasoline in this case is supplied via the carbureter of Mr. Charles Nelson Pogue. The dynamite the human variety) is supplied by the personality of Mr. John Edward Hammell, financial sponsor of the carbureter.

Mr. Hammell's most ardent admirers are firmly convinced that discussion as to whether or not a gallon of gasoline contains sufficient energy to drive a car 200 miles is all beside the point. Even supposing, they argue, a gallon of gasoline contains only enough energy to drive a car 200 feet, under ordinary circumstances, these are not ordinary circumstances. John Hammell wishes the gallon to drive the car 200 miles. The gallon will blank well do it, or it will have to answer to John E. Hammell. In other words, it will blank well do it.

It is most probable one could find many a prospector, many an engineer, or many a practical mining man in the north country that would subscribe to this logic. They know John Hammell.

Modern Paul Bunyan

So much has been written about John Hammell, multi-millionaire mining man, ex-prize fighter, collector of jade and rare prints, and patron of the Toronto Symphony Orchestra, that he has come to be almost a Paul Bunyan of the mining industry. He is one of those rare figures about whom fable is draped even while he is still very much in the land of the living.

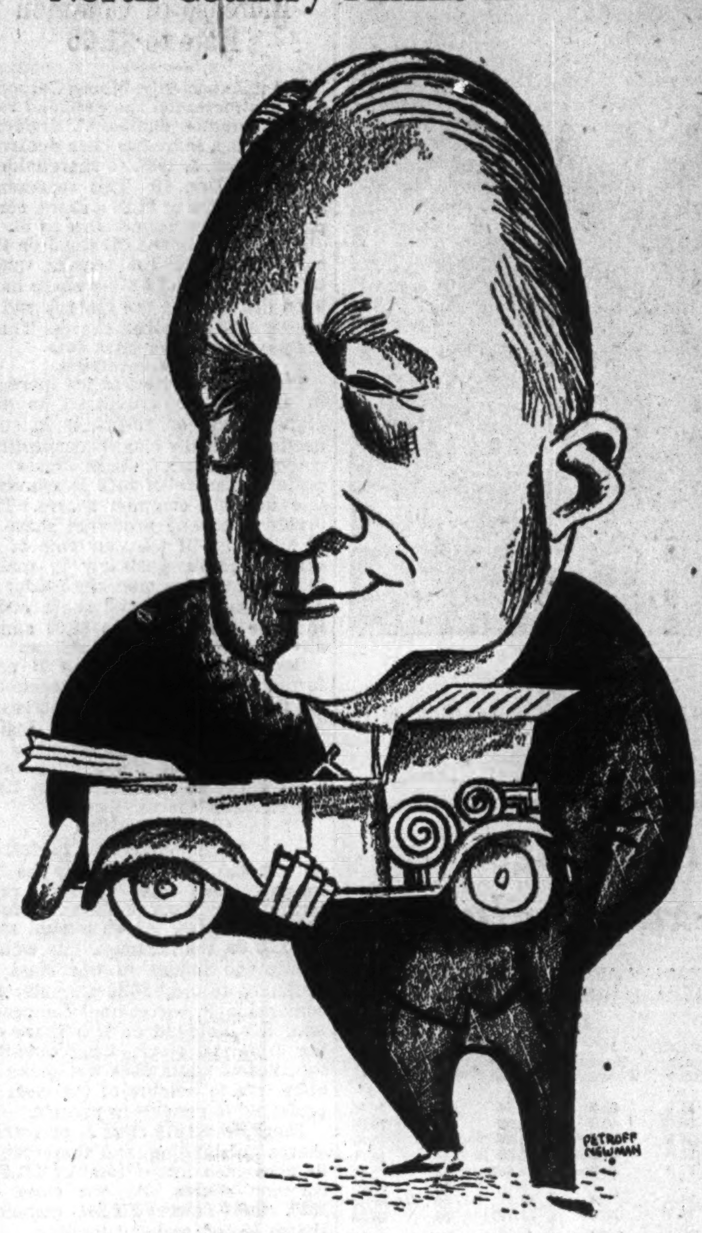
The secret of John Hammell's appeal is probably that he has led the kind of life that nine-tenths of Canada's red-blooded but sedentary population would like to have led—particularly the present part involving possession of millions. His life reads like the chapter headings in an "Advancing through Adversity" type of novel; obscure birth, early conflict with the realities of life, training in the fringe of civilization, conquest of terrific odds, 11 fortunes "easily" won, "easily" lost, final triumph of the "shoot square" principle, and ultimate reward, financially, and in the respect of a whole nation. Quite a story.

There have been so many colorful episodes in the career of John Hammell that it is difficult to know where to begin. It might be an idea to start at the beginning.

Bucked the Gamblers

The beginning was in Beeton, Ontario, 60 years ago last Dec. 6. Readers of the newspaper will recall that not so many years ago Beeton showed to the world that it was an area of He Men. Early in life, John Hammell learned the art of "Handling his dukes." Early in life he learned to capitalize on this knowledge. At the age when most lads today are trying to borrow their father's car for their first date, John Hammell was fighting for a living in the roarin' hinterlands of California.

In those days, and in that place, gamblers controlled the ring, dictating who would win, who would lose.



JOHN EDWARD HAMMELL

When John Hammell was fighting, he preferred to be responsible for such important issues. The result was a clash with the powers. Thereafter, Hammell found that the cards were stacked against him. No matter how well he fought, what victories he gained, the other man always was awarded the decision.

Instead of deciding to seek fame elsewhere, as the gamblers had hoped, Jack decided to do something about it. He did what he has always done since, went to the biggest man he could find. The biggest man in California was Governor Walton. To him went Jack Hammell. Walton heard the youngster's story, liked him, and said: "We'll fix them, kid. From now on you are my son. I'll adopt you, and you'll fight as Kid Walton. Then let them try to sew you up, and see what happens to them."

As "Kid Walton," Jack Hammell succeeded in making a name for himself on the Pacific coast. He got a chance to fight in New York, where he attracted the attention of John W. Gates, known to the sporting world as "Bet A Million" Gates. Through Gates's influence, Hammell got his first white collar job—marking quotations on the board of a broker's office.

As might be expected this job palled very quickly, and it needed only the report of a rich gold strike in the Klondyke to send John Hammell north.

After Klondyke, Hammell came to the Cobalt boom, and from then until now John Hammell has been part of every major gold rush in the history of Canada.

Despite his aversion for the professional politician, Hammell took an active part in the politics of the north in the early days. During one campaign Hammell was managing the candidature of a well-meaning aspirant, honest and upright to a degree, but who did not just "click" with the northern fraternity. Hammell spent much thought on the matter, and ultimately arrived at a desperate plan.

He approached a lady who had little moral standing in the community wherein his candidate was to speak. As a result of this conference, this lady was in attendance at the station, along with the entire town, to meet the candidate.

"My Darling Jo-Jo"

Stepping off the train, campaign-weary, and slightly discouraged by the apathy of the crowd, the candidate was electrified when a smartly dressed woman, a total stranger, ran up to him with outstretched arms.

"My darling Jo-Jo," burbled the lady, to the delight of the crowd. "I'm so proud of you, my darling." She flung her arms around his crimson neck, thus stifling any renunciation. "To think that my old sweetheart is going to be a member of parliament."

Hammell whispered into the ear of the nearly swooning candidate: "Kiss her, kiss her, you — — fool." His poise completely gone, the candidate blindly did as he was bid.

The crowd was delighted at this evidence that the aspirant, hitherto regarded as "stand-offish," was "one of the boys." Word travelled throughout the bush-covered constituency that this man was "allright." He was elected and had a distinguished career.

Flin Flon Financing

The manner in which Hammell has brought to production properties against tremendous physical odds, and against the best advice of the professional geologist and trained engineers is well known. One of his crowning triumphs is Howey Gold Mine, in Red Lake, which, although 150 miles in the bush, is Canada's lowest cost major producer. In this connection, John Hammell's name is associated with the first use of airplanes for transporting supplies and prospectors into remote areas.

Space precludes more than a reference to the manner in which Hammell obtained finances for the development of the huge copper-zinc-gold-silver deposit at Flin Flon, in northern Manitoba. The story has been told, never quite as successfully as when related in Hammell's own brusque style.

Pickle Crow, Green Stabell, and other producers and prospects are to the credit of Hammell. Not all his ventures have been commercially successful. But there is not one Hammell enterprise of which shareholders can say they did not receive a run for their money.

Today, Hammell is a national character. He has innumerable friends, illiterate bushmen, hotel doorkeepers, as well as in the "higher" strata of society. His biggest hates are the sharepushers, swindlers and others who regard mining as legitimate material for robbing the public or the prospector.

Money has not brought the "broad A" type of culture to John E. Hammell. He has never learned to disguise what he thinks, unless it be at poker.

If ever he does, it will be Canada's loss.

Adams Works Placer Groups

Colorful Character Takes Over Property Hammell Dropped

From Our Own Correspondent

VANCOUVER.—Forty-five tons of heavy machinery for use on the property of Northern Placers, on Manson Creek, Omineca district, have been shipped north by Captain R. M. Adams. A steam shovel is included. The equipment will be hauled over the snow from Vanderhoof a distance of 160 miles and will be set up in readiness for operation early in the spring.

The ground is part of the area explored by Capt. Adams for two seasons by the John Hammell interests of Toronto. When Mr. Hammell decided against going into placer development, Capt. Adams took over the property on his own account, and incorporated a private company.

Capt. "Bob" Adams is one of the most colorful figures in British Columbia mining. He was in the original stampede to the Klondike. He went from Dawson to Nome, thence to Siberia. He was in Mexico for several years during a revolutionary period, and a few years ago he mined in Peru and Bolivia. Then he went to Manchuria, after which he returned to Canada to spend some time prospecting in the Mackenzie River and Hudson Bay districts.

Bob Adams was made one of the leading characters in "The Spoilers," Rex Beach's famous story of the north. In Russia's revolutionary days Adams was recommended by the late Sir Ernest Shackleton to take charge of transportation for British troops supporting one of the White armies. He won the name of "Wolf" Adams for his spectacular raiding expeditions.

One Interest Now

But war and adventure are a part of Capt. Adams's earlier career. His only interest now is the development of his placer deposits in the north. He believes the Omineca district will be one of the greatest gold fields discovered in recent years.

The larger operations already in that section include the hydraulic enterprise of the McCorkells and associates on Germansen Creek; Consolidated Mining & Smelting Co. dragline operations on Slate Creek; the de Ganahl hydraulic operations on Germansen, Vital and Harrison Creeks; the steam shovel operations of Bert McDonald and Dan King on Manson Creek, and a drifting operation on Loss Creek.

Licensed Silver on Deposit

From Our Own Correspondent

MONTREAL.—Licensed silver depositaries report to the Canadian Commodity Exchange receipts of 90,437 oz. and deliveries of 10,285 oz., leaving a balance in licensed vaults of 1,793,293 oz. of fine silver.

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GOLD FLAKE
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A SHILLING IN LONDON · A QUARTER HERE

Sladen Malartic Mines Sells Block of Stock

From Our Own Correspondent

MONTREAL. — Sladen Malartic Mines announce that 62,000 additional shares at 55 cents a share have been taken up under the terms of the option agreement. This leaves a balance of 64,000 shares in the 55-cent block.

A total of 1,913,016 shares is now outstanding, exclusive of escrowed stock.

Siscoe Gold Mines November Output Up

From Our Own Correspondent

MONTREAL.—Siscoe Gold Mines production of gold in November totalled $203,493. This contrasts with $200,024 in the previous month and with $195,213 in Nov., 1935.

Mill tonnage last month totalled 16,579 tons as against 17,118 tons in the previous month and 12,042 tons in the corresponding months last year. Mill heads averaged $12.66 a ton, compared with $12.15 in October and $16.52 in Nov., 1935.

Hedley Mascot Comes to Fore

Mill May be Increased to 200 Tons Daily from 170

VANCOUVER. — Spectacular values are reported to have been encountered in development of a new vein at Hedley Mascot Gold Mines, which reports November production totalling $80,000.

The Hedley Mascot mill has been operating at the rate of approximately 170 tons daily, and this will probably be increased shortly to 200 tons.

For the first five months of its operation Hedley Mascot, rapidly coming to the front among British Columbia's junior gold producers, had a gross output valued at nearly $340,000, with net profit before depletion and depreciation amounting to $166,781. Costs of operation are being reduced.

Underground development has been encouraging, according to Victor J. Creeden, secretary. There has been extensive diamond drilling. The original report of Dr. Victor Dolmage and R. H. Stewart is that the property's high-grade ore, averaging about .48 ounces gold per ton, totals about 218,000 tons.

Quebec Cement Production

Twenty-four plants manufacturing cement products in Quebec last year employed an average of 136 persons and produced cement products to a gross value of $269,404.

PACKSACK
Mines, Limited

Head Office
306 Hamilton Building,
WINNIPEG

Mine Office
Bissett, Manitoba

Current Chatter From B. C.

From Our Own Correspondent

VANCOUVER. — At Hedley Amalgamated Mines the first diamond drill hole, from 2,052 ft. in on the McKinnon tunnel, driven upward at a 70-degree angle, has encountered 30 ft. of solid arsenopyrite mineralization at a point which proves 125 ft. of additional depth vertically on the ore body cut by No. 2 hole from the Red tunnel above.

* * *

Sheep Creek Dividend

Sheep Creek Gold has declared a regular quarterly dividend of 2 cents a share, payable Jan. 15 to shareholders on record Dec. 1.

* * *

Dentonia Takes Up Option

Durango Gold Mines announces that Dentonia Mines, Ltd., have exercised the option to buy 1,650,000 shares of its capital, to net the company $165,000. Last summer Dentonia took over development of Durango on an option basis. Major Angus Davis, representing Dentonia, says enough ore has been developed to warrant construction of a 100-ton mill at once.

* * *

Kootenay Bell's Mills

Kootenay Belle's new mill which went into operation late in October is handling about 80 tons of ore daily, according to directors. Heads are running around .37 ounces gold. The mill is operating on a three-shift basis.

* * *

Dolly Varden Suspends

While operations have ceased at the old Dolly Varden Mine in the Alice Arm district, T. W. Falconer reports a good season. Operations will be resumed in the spring.

* * *

Power for Big Missouri

Pacific Coast Pipe Co. will build a 36-inch pipe line of wood staves connecting the Big Missouri mine power house with the dam at Long Lake. Most of the grading for this job has already been completed. Excavations for the power house have also been made.

* * *

Bridge River Consolidated

H. O. Richer, vice-president of Bridge River Consolidated Mines, says his company is not planning to dispose of any of its treasury stock at present and rather than sell out will carry on its own development. The statement was made as a sequel to announcement of Bridge River Exploration that the annual meeting would consider a plan to acquire Bridge River Consolidated property, in whole or part.

Flin Flon Gold Works Property

From Our Own Correspondent

WINNIPEG.—Development work at Flin Flon Gold Mines Limited property, just south of the town of Flin Flon, is proceeding at a steady pace. Drifting is in progress on the fourth level at 450 feet and the south drift is now nearing the ore zone indicated by diamond drilling. The north drift will have to be advanced somewhat farther to reach the indicated ore zone.

Diamond drilling has been completed for the present on the shear zone which crosses the north of 54 property and the Flin Flon Gold. According to Dr. J. Frank Wright, consulting geologist for the company, this diamond drilling indicates a length of half a mile where the same general conditions are present, consisting of a well defined zone from six to 20 feet in width along the hanging wall of a porphyry body, with sections of core assaying from $5.90 to $12 gold per ton, across 2½ to six feet. As the greater part of this break is on the Flin Flon Gold property it is the intention of the management to investigate its possibilities further at a later date.

Drifting and crosscutting on the first and second level of Gold Lake Mines in the Rice Lake area have been discontinued. In the place of this development diamond drilling has been commenced from the second level with the intention of intersecting probable ore bodies at the 450- and 600-foot horizons.

Granby Con. May Operate Coal Mine for Allenby

From Our Own Correspondent

VANCOUVER.—As a part of its extensive operations near Princeton, Granby Consolidated Mining & Smelting Co. will probably operate for its own use a near-by coal mine. The Granby company recently was authorized to proceed with its reorganization so as to resume the mining and smelting of copper and other metals at its Allenby plant, shut down since 1931.

Contract for a steam generating plant was awarded last week to a Montreal firm.

Approximately 100 tons of coal per day will be required by Granby when its operations are in full swing.

Another development resulting from the Granby operations is a change in the route of the Copper Mountain branch of the Kettle Valley Railway.

The rated capacity of the Allenby concentrator is 3,000 tons daily.

GLOBE MINES, LIMITED
NO PERSONAL LIABILITY
NOT SUBJECT TO CALL

Head Office:
80 King Street, West, Toronto.

Consulting Engineer:
H. R. Bissell, M.Sc.

Registrar, Transfer and Disbursing Agents:
Prudential Trust Company, Limited, Toronto.

CAPITALIZATION

Authorized ($1.00 Par Value) .... 3,000,000 Shares
Issued for Property (1,000,000 Shares in Escrow) .... 1,250,000 Shares

LOCATED IN HEART OF FAMOUS MINERAL BELT

The following information has been summarized from a report on Globe Mines, Limited (complete report is contained in the prospectus) by H. R. Bissell, M.Sc., Canadian Mining Engineer:—

Globe Mines, Limited, has been incorporated under the laws of the Province of Ontario to acquire the Globe Mine located in Gila County, State of Arizona, U.S.A., in the heart of the Arizona mineral belt. The world-famous Arizona copper deposits, as well as numerous gold and silver mines, lead and zinc mines and deposits of vanadium are located in this district.

The Globe property consists of eight claims covering a length of 6,900 feet along the strike of the vein system. Outcrops have been traced throughout the length of the claims. The main vein, upon which all of the work to date has been done, has been traced and sampled for about 500 feet on the surface and values were found at all points. The vein averages 6 feet in width in the main ore zone and preliminary laboratory tests indicate that the ore presents no major milling difficulties and that a high recovery of gold, lead and silver can be made.

EXPENSIVE SHAFT SINKING AND HOISTING ELIMINATED

An interesting feature of the Globe is the fact that the vein structure occurs in a mountainside rising over a thousand feet above the level of the valley. This situation eliminates the need for shaft sinking and hoisting, a big item in the cost of mining operations. Instead, three main tunnels have been driven right into the side of the mountain to intersect the vein. On last reports all three tunnels, which had been driven for 100 feet, 290 feet and 320 feet respectively, were still in ore. Mr. Bissell has recommended that a fourth tunnel be opened below No. 3 to serve as a haulage tunnel, through which ore from the upper levels will be taken out for milling.

PROJECTED FIRST UNIT OF 100 TONS DAILY CAPACITY

Upon the recommendation of The General Engineering Company, as well as reports furnished by the Consulting Engineer of the Company, the Directors have resolved to proceed with the erection of a 100-ton mill, as the first unit.

Ample power is available from the Coolidge Dam at a cost of one cent per K.W.H.

CONCLUSION

Development to date warrants the installation of the first unit for milling, and also indicates that the project should be a very low-cost operation. Economically, the property is outstanding as at least 700 to 800 feet of the vein vertically can be mined through tunnels thus eliminating outlay for shafts and shaft equipment, as well as hoisting costs. Reports made by The General Engineering Company indicate that large recoveries will be made and that an excellent operating profit will be realized from gold, lead and silver, under existing markets. Later, if zinc rises in content or in market price, it may be possible to considerably increase the indicated operating profit by shipping zinc concentrate to the smelters.

The Orebody is a strong occurrence and there is every reason to anticipate that later on, this deposit can be worked at a rate far in excess of 100 tons daily. The property is located in an established and proven mining area where skilled labour is available, where transportation is plentiful and where power can be purchased at reasonable rates.

ATTRACTIVE MINING INVESTMENT

BONDED CORPORATION, LIMITED, having underwritten 300,000 shares of treasury stock of Globe Mines, Limited, is now offering the same with the belief that such shares present an exceptionally attractive investment in the mining industry. The right is reserved to allot a smaller number of shares than applied for, to prorate subscriptions or to withdraw any portion of this offering at any time without notice.

PRICE: $1.00 PER SHARE

Full details of the offering are contained in the official prospectus, copies of which can be obtained on request.

BONDED CORPORATION LIMITED
80 King Street, West, TORONTO
Telephone: ADelaide 7408
Montreal Quebec Saint John, N.B.

Without obligation, kindly advise me on the offering of shares of GLOBE MINES, LIMITED.

Name........................ Address........................

Textile Expert Finds Real Wage Increase

Blames Managements for Failure to Explain New System to Employees

The wide variation in wages and wage rates paid to cotton textile workers in leading Canadian plants and a demonstration that "real wages" of textile workers in a typical plant have kept pace with increased productivity over the past 25 years are the major findings of C. V. Fessenden in a special investigation of labor conditions in Canadian textile plants made for Commissioner Turgeon's investigation of the industry.

Mr. Fessenden's chief criticism on industrial relations and wage payments is that in the case of three companies particularly, namely, Dominion Textile, Canadian Cottons Ltd. and Wabasso Cotton. "These companies have apparently failed to realize that a very severe strain has been placed on their relations with their employees because of the great technological changes which have taken place in this industry since about 1923."

Wages Compared

Comparative figures filed by Mr. Fessenden for hourly wage rates paid to spinners in various mills ranged from 35.7 cents per hour in the case of York Knitting Mills at Toronto to 24.1 cents per hour at the Dominion Textile Co. mill at Sherbrooke.

A study of comparative wages in Canadian and U. S. plants as made by Mr. Fessenden shows that Canadian weavers for a full-time week ran from a low of $11.42 (42 hours) at Wabasso (girls) to a high of $19.91 (55 hours) at the Merchants' Branch, Dominion Textile Co. This compares with an average of $20.19 for an average full-time 46-hour week in the Northern States and $18.52 for a similar operation in Southern U. S. A.

Mr. Fessenden points out, however, that this comparison would be more favorable if it were not for the drastic change brought about by the N.R.A. in the U. S. wage levels.

Technocracy Discussed

The effect of "technocracy" on textile employment is indicated by Mr. Fessenden's studies made in all the "grey" mills of Dominion Textile Company. This shows an increase in productivity over the 24-year period from 1912 to 1936 of 53%, which is almost exactly paralleled by an increase of 51% in the real wages earned by these employees in the same period. In the same period, number of employees increased 12%.

To measure productivity, Mr. Fessenden showed the actual number of pounds produced "per employee hour," while for purchasing power of the worker he used the "average real wage per employee hour."

Productivity Matches Earnings

Using this basis of comparison over the same period, Mr. Fessenden found the total number of pounds produced each year had risen 50%; the number of employees, 12%; the number of pounds "per week per employee," 32%. Hours worked "per week per employee" dropped 12½%, and real wages per actual week per employee rose 32½%.

In effect, what Mr. Fessenden finds is that:

"The increasing productivity of the worker co-operating in the use of improved machines and improved methods is being matched by an approximately equal increase in his real wage. This is in spite of the shorter working week."

New Light on Industrial Relations

Major thesis behind Mr. Fessenden's study is the new approach to industrial relations which he feels is essential if continued harmony and the most satisfactory results, both from the viewpoint of the worker and the employer, are to be obtained. Mr. Fessenden does not question so much the knowledge of the management, its fairness in machine assignments and piece rates, as its policy in getting these basic considerations known through their organization.

"This dissemination of knowledge was evident," says Mr. Fessenden, "in the mills of Hamilton Cotton Co. and York Knitting. Management of the other Canadian companies visited have not successfully developed the policy of placing their cards on the table in such a way that the workers can intelligently judge and discuss their assignments, piece rates or pay.

"To sum up the description of the method of determining machine assignments still followed by those Canadian textile companies which are satisfied with the older industrial relation policies, it can be said that time study observations form a basis for their decisions, but that the build up of the assignment and the piece rates, from the fundamental time study data cannot be explained clearly and fully by the mill superintendent, much less by the overseers.

Putting Theory Into Practice

"They all may have excellent practical knowledge as to what constitutes heavy assignments and what constitutes light assignments, but they have not got this information in a form constituting a reasonable explanation convincing to overseers or workers. This was determined actually by asking for such explanations during our visit to the mill.

"It is suggested, for example, that if weavers from the beginning could have their periodically changed loom assignments explained to them and were encouraged to talk these out, they would have a better understanding of any stepping up of their assignment.

Sound Investment

"If they were shown that over a period of years their real wage increased with their productivity, they might logically welcome such changes. This would be more probably true if some satisfactory way were worked out to tide deserving workers over any reasonable period of unemployment due to technological progress. Resulting gains in society due to the elimination of this real obstruction to economy of effort would beyond doubt repay a large investment in a sound plan of unemployment insurance.

Modern Equipment

"In respect of working conditions generally," Mr. Fessenden said, "it may be anticipated that there will be a trend on the part of the more progressive mills to install air-conditioning equipment and thus improve working conditions as well as improve the processing of the yarn through more precisely controlled atmospheric conditions. Already the Merchants' Branch of the Dominion Textile Company has an installation of such eqiupment."

4 Million Words Spoken at Probe

From Our Own Correspondent

MONTREAL.—Enquiry of the one-man Royal Commission, headed by Mr. Justice W. F. A. Turgeon, into the affairs of the Canadian textile industry has been concluded, but the findings and recommendations are not likely to be available until after Parliament meets next January.

The enquiry was opened last February and the commission has heard evidence and investigated working conditions at Toronto, Montreal, Quebec, Three Rivers, and other points in Ontario and Quebec.

The number of exhibits filed was 1,246; evidence taken amounted to 4¼ million words, while public sessions occupied 100 days.

OTTAWA'S NEW JUSTICE BUILDING

Designed as the Royal Canadian Mounted Police administration building, this structure costing $4 millions fulfills its purpose but under another name. The Department of Justice has moved from the East Block into part of one floor of the new building, which adjoins the Confederation Building, Ottawa.

Wage Rates, Earnings In Textile Industry

WAGE RATES AND EARNINGS OF CANADIAN AND U. S. TEXTILE WORKERS
(Canadian figures are for those mills actually visited by C. V. Fessenden)

(A) WEAVERS:

Mill		Earnings per Hour c.	No. Hours Worked*	Aver. Weekly Wages* $	Possible Wage For Full Week: No. Hours in Full Week	Possible Wage For Full Week: Full Week's Wage $
(1) Canadian operatives:						
Dom. Textile Co.	Hochelaga	31.9	39.3	12.54	55	17.55
Dom. Textile Co.	Merchants	36.2	40.3	14.59	55	19.91
Dom. Textile Co.	Montmorency	34.3	44.8	15.37	55	18.87
Dom. Textile Co.	Sherbrooke	30.0	46.3	13.89	55	16.50
Wabasso Cottons	Three Rivers (F)	27.2	39.9†	10.85†	42	11.42
	Three Rivers (M)	...	...	†	48	13.06
Canadian Cottons	Ontario	34.8	32.2	11.21	50	17.40
Hamilton Cottons	Hamilton	32.7	36.0	11.77	50	16.35
Canadian average (arithmetic)		32.5	39.8	12.89	51.8	16.86
(2) U. S. operatives (after N.R.A.):						
Northern Mills		43.9	37.5	16.46	46	20.19
Southern Mills		39.4	37.5	14.78	47	18.52
(3) U. S. operatives (before N.R.A.):						
Northern Mills		29.2	...	....	51	15.48
Southern Mills		22.8	...	....	53	12.08

(B) SPINNERS:

Mill		Earnings per Hour c.	No. Hours Worked*	Aver. Weekly Wages* $	Possible Wage For Full Week: No. Hours in Full Week	Possible Wage For Full Week: Full Week's Wage $
(1) Canadian operatives:						
Dom. Textile Co.	Hochelaga	29.5	28.8	8.50	55	16.23
Dom. Textile Co.	Merchants	27.3	43.4	11.85	55	15.02
Dom. Textile Co.	Montmorency	26.1	44.7	11.67	55	14.36
Dom. Textile Co.	Sherbrooke	24.1	37.8	9.11	55	13.26
Wabasso Cottons	Three Rivers (F)	24.6	39.9†	9.82†	42	10.33
	Three Rivers (M)	27.3	...	†	48	14.10
Canadian Cottons	Ontario	28.3	42.8	12.11	50	14.15
Hamilton Cottons	Hamilton	29.6	49.2	13.92	50	14.80
York Knitting	Toronto	35.7	49.2	17.56	50	17.85
Canadian average (arithmetic)		28.1	42.0	11.83	51.5	14.50
(2) U. S. operatives (after N.R.A.):						
Northern Mills		38.8	37.5	14.55	46	17.85
Southern Mills		32.2	37.5	12.08	47	15.13
(3) U. S. operatives (before N.R.A.):						
Northern Mills		24.5	...	....	51	12.50
Southern Mills		16.5	...	....	53	8.75

*In last fiscal year.

†Actual hours not obtained; new policy for company. Estimate for female workers based on assumption that aver. actual week at Wabasso was 95% of full-time weekly hours.

Canadian Cottons Jumps Wages to Level of 1929

From Our Own Correspondent

MONTREAL.—Canadian Cottons Ltd. announces that some 3,300 employees of seven of the company's mills will be given an immediate wage increase of 6%. Three mills at Cornwall, Ont., one each at Hamilton, Ont., Marysville and Milltown, N.B., as well as a plant at Cornwall and York Cotton Mills Co. at Saint John, N.B., are affected.

This, in effect, the company states, restores wages to the 1929 level. The only wage reduction was in April, 1933, amounting to 10%, practically half of which was restored in April, 1934.

The reason given by the company for the wage increase "is a considerably larger volume of orders booked during recent weeks, permitting in turn fuller operations at most of our mills."

Home Loan Scheme Eliminates Personal Bank Application

Another loophole in the Home Improvement Plan of the National Employment Commission has been plugged.

It will no longer be necessary for the home owner to make personal bank application for a modernization loan. Under the revisions announced this week the contractor selling the job will at the same time simply get the home owner's signature on special forms now being mailed to bank branches.

Hitherto two operations were necessary. The home owner had to be sold on the improvement contemplated and then the contractor had to wait until the owner went to the bank, talked the matter over, and secured his loan. It was feared that the lapse between the selling and the loan application might prove fatal in many instances. So the government authorities have now decided to follow the plan of the finance companies which have always endeavored to get the signature on the dotted line immediately following the sales talk.

Now the improvement contractor is to do the same thing and armed with a signature he and not the home owner will make the trip to the bank. If the contractor is able to satisfy the bankers that the customer is a good risk, that is all that will be necessary. If not the contractor will have to persuade the home owner to convince the banker.

Under the new plan where the customer is considered a good risk, the contractor will do the work and be paid directly by the bank. It will not be necessary for the money to pass through the home owner's hands at all.

New Books

THE ETHICS OF COMPETITION. By Frank H. Knight. Published by George Allen and Unwin Limited, Toronto. Price $3.75.

Professor Knight is head of the Department of Economics at the University of Chicago. Although still in his early fifties, he has made a notable contribution to modern economic teachings. His numerous articles and lectures have influenced social thought in the United States and abroad. Yet he has been singularly modest in putting his ideas into volumes of major length and purpose. It has fallen to a group of his friends to gather together, from many sources, the more important of his articles and reviews to make the present volume.

Professor Knight is interested in the essential ethics and philosophy of economic affairs. He is no doctrinaire and makes no pretence of being a monetary economist. But in the field of economic psychology and in the matter of applying economic interpretation to social control, he has few peers.

There are 11 major essays in the volume and an additional valuable feature is a bibliography of everything that Professor Knight has written to date.

"GETTING THE MOST FROM YOUR INCOME" By R. M. Haultain, published by Stone and Cox Limited, price 75 cents.

This study by Mr. Haultain contains detailed cost-of-living illustrations for incomes between $25 a week and $10,000 a year.

There are eight articles that aim to throw light on the income problems of different groups and give a "financial telescope" for the use of the individual.

Moore Raises Dividend Rate

"B" Preferred Affected by Increase of Common Rate to $1.60

Not unexpectedly, Moore Corporation has increased the dividend rate on its common shares. A dividend of 40 cents a share has been declared payable Jan. 2, 1937, to shareholders of record Dec. 10. This represents an annual rate of $1.60 a share, compared with the former rate of $1.

In addition to the dividend on the common shares, the regular quarterly payments of $1.75 a share have been declared on the class A and B convertible preferred shares. These are payable on the same date.

Affects Conversion

The striking effect of the increase in the common dividend to the highest level on record is in connection with the class B convertible preferred stock. Each class B preferred share of $100 is convertible into six common shares. The dividend on one preferred share is $7 annually. If the new rate of 40 cents a share quarterly is maintained on the common, the holder of each class B preferred share could increase his income to $9.60 annually by converting his holdings.

Some conversions of the B preferred may result when shareholders feel satisfied that the increased rate on the common will be maintained. There are 16,777 class B preferred shares outstanding, and these could be converted into 100,662 common shares.

Class A Position

The class A convertible preferred is effected less favorably as to income. Each $100 class A preferred share is convertible into four common shares. At an annual rate of $1.60 on the common, this would entitle the holder of one class A preferred to only $6.40 annually by conversion into common, compared with the dividend of $7 a share on the preferred stock. Consequently, the income basis does not make it attractive to holders of the class A preferred to convert at present.

There are 32,879 class A preferred shares outstanding, and these could be converted into a total of 131,516 common shares. At the close of 1935, there were 276,241 common shares issued and outstanding.

Conversion of all the class A and class B preferred shares were to result in an outstanding capitalization of 508,419 common shares.

To the extent that the higher common dividend may contribute to firmer prices for the common shares, both class A and class B preferred shares would benefit in market price. Quotations for these noncallable preferred shares fluctuate to a large extent on the basis of the price of the common shares into which they are convertible.

Meat Packing in Quebec

Ranking second among the provinces in slaughtering and meat packing, Quebec recorded gross sales last year of $22,087,549.

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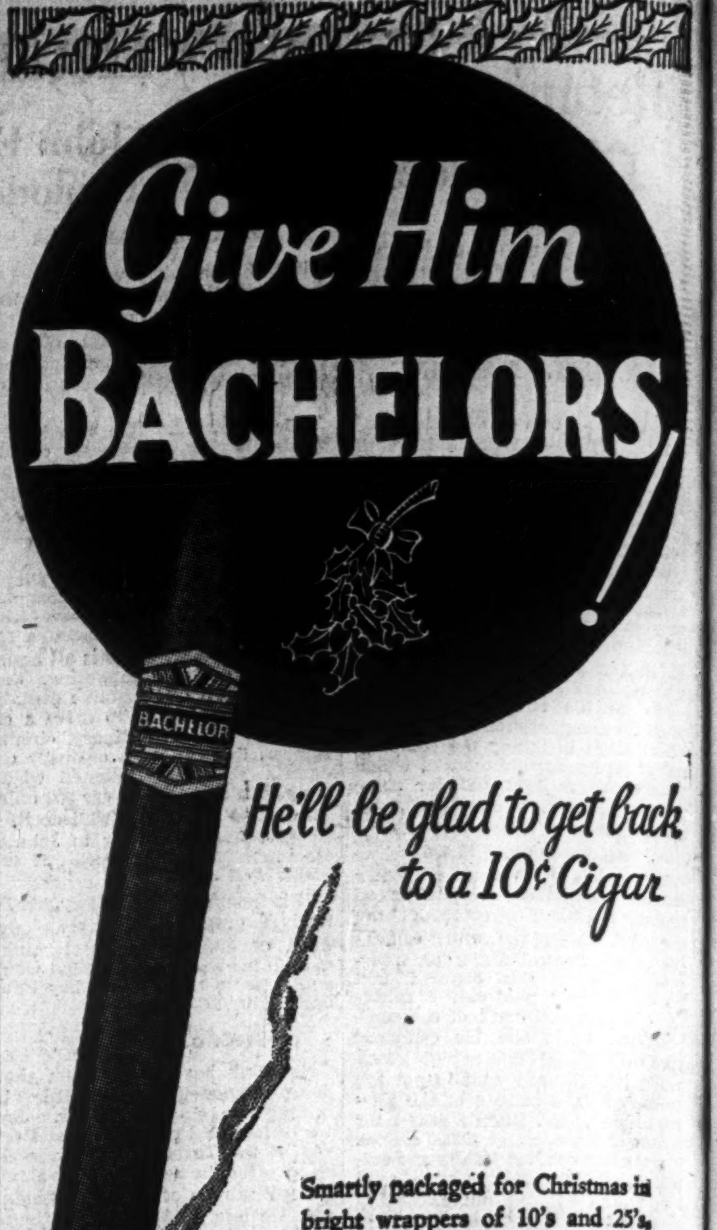

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